Duncanville City Council Meeting Agenda

City Council Briefing Room and City Council Chamber
Duncanville City Hall
203 E. Wheatland Road
Duncanville, TX 75116
(972) 780-5017

Tuesday, September 17, 2024
5:30 P.M. – Executive Session
6:00 P.M. - Work Session/Briefing
7:00 P.M. - Regular Session
or immediately following the 6:00 pm Work Session/Briefing

City of Duncanville City Council meetings are available to all persons regardless of disability. The City of Duncanville offers Hearing Assistance Receivers for use during City Council Regular Sessions. If you require special assistance, please contact the City Secretary at (972)780-5017 or write 203 E. Wheatland Road, 75116, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purposes of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting.

Pursuant to Texas Government Code 551.127, one or more members of the governing body may appear via videoconference call. The presiding officer and a quorum of the City Council must be physically present at the above stated location.

The City of Duncanville reserves the right to reconvene, recess or align the Regular Session or called Executive Session or order of business at any time prior to adjournment at the direction and agreement of Mayor and Council.

This is an open meeting conducted in-person and will be broadcast by website and social media channels.

To view the live meeting or previous meetings click on the link below.
https://duncanvilletx.new.swagit.com/views/454/

To submit a comment via email the following information is required:

- Submit a comment by 4:00 p.m. on Tuesday, September 17, 2024.
- Email city.secretary@duncanvilletx.gov
- Email title: Public Comment – Tuesday, September 17, 2024
- First Name, Last Name, and Address

Page

EXECUTIVE SESSION

1. The City Council shall convene into closed executive session pursuant to Section 551.071 of the Texas Government Code to seek legal advice from the City Attorney regarding Resolution 2024-264 delegating grants of Hotel Occupancy Tax revenues to the Duncanville Community and Economic Development Corporation. 8 - 9

   Executive Session

2. The City Council shall convene into Executive Session pursuant to the Texas Government Code Section 551.074 (Personnel) to discuss appointments, dismissals and/or duties to the Planning and Zoning Commission, Board of Adjustment, Duncanville Community and Economic Development Corporation Board, and TIF (Tax Increment Financing Reinvestment Zone Number One). 10

   Board and Commission Appointments

3. City Council shall convene in Executive Session pursuant to Section 551.072 of the Texas Government Code, to deliberate the sale, exchange, lease, purchase, or value of certain real property located south of Camp Wisdom Rd, north of Danieldale Rd, east of Cedar Ridge Dr, west of Cockrell Hill Rd, and, pursuant to Section 551.071 of Texas Government Code, to seek legal advice from the City Attorney regarding the same. 11

   Executive Session

4. The City Council shall convene into closed executive session pursuant to Section 551.072 of the Texas Government Code, to deliberate the sale, purchase or exchange of real property north of Wheatland South of I-20, East of Cedar Ridge Road, and West of SH 67. 12

   Executive Session

WORK SESSION / BRIEFING

1. DISCUSS AGENDA ITEMS

2. CITY COUNCIL CALENDAR

3. BRIEFINGS / PRESENTATIONS

A. City Council to receive a briefing on equity in infrastructure management initiatives, discussion, and direction if any to the City Manager. 13 - 14

   Equity in Infrastructure Management

B. City Council to receive a briefing on the status of the Cedar Ridge Road Reconstruction Project, provide for an opportunity for City Council to discuss, and provide direction if needed. This is part of the 2018 bond projects. 15 - 16

   Cedar Ridge Road Reconstruction Project Update

C. City Council to receive a briefing on the status of the FY24 Mill and Overlay Project, provide for an opportunity for City Council to discuss, and provide direction if needed. 17 - 18

   Mill and Overlay Program

D. The council will receive a briefing on the process for canceling meetings due to a lack of quorum, discuss the topic, and provide direction if needed. 19

Board and Commissions Meeting Cancellation

E. Discuss the selection of a Mr. or Ms. Hispanic Heritage Festival to represent the City of Duncanville at the Best Southwest Hispanic Heritage Festival. 20

Mr or Ms Hispanic Heritage Festival

REGULAR SESSION - CONVENE INTO THE COUNCIL CHAMBERS (7:00 P.M. OR IMMEDIATELY FOLLOWING THE 6:00 PM WORK SESSION/BRIEFING)

CALL TO ORDER
INVOCATION - Pastor Michael Ridge
PLEDGES - PLEDGE OF ALLEGIANCE; TEXAS PLEDGE OF ALLEGIANCE

1. REPORTS

The Mayor's Report, the Councilmembers' Reports, and the City Manager's Report are informational only. There is no Council deliberation or action taken on any of these items.

A. Mayor's Report.

B. Councilmembers' Reports

C. City Manager's Report.

2. PROCLAMATIONS AND PRESENTATIONS

None

A. Proclamation recognizing September 15 to October 15, 2024 as National Hispanic American Heritage Month. 21 - 25

Proclamation - National Hispanic Heritage Month

B. Proclamation designating October as National Arts and Humanities Month. 26 - 28

National Arts and Humanities Month Proclamation

C. Proclamation proclaiming October 6 - 12, 2024, as Fire Prevention Week throughout this community, urging all the people of Duncanville to learn "Smoke Alarms: Make them work for you!", and to participate in the many public safety activities and efforts of Duncanville's fire and emergency services during Fire Prevention Week 2024. 29 - 31

Proclamation for Fire Prevention Week

3. CITIZENS' INPUT

In-person citizen comments will be heard during the Regular Session. In keeping with the City Council's Rules of Procedure adopted on June 4, 2024, electronic mail comments will no longer be read aloud. Paper copies will be provided to the

City Council at the dais. The comments will be made a part of the public record in the minutes.

"Pursuant to Section 551.007 of the Texas Gov't Code, any member of the public has the opportunity to address the City Council concerning any matter of public business or any posted agenda item; however, the Act prohibits the City Council from deliberating any issues not on the public agenda and such non-agenda issues may be referred to City staff for research and any future action; all persons addressing are subject to council adopted rules and limitations permitted by law"

At this time, two-minute comments will be taken from the audience on any topic. To address the Council, please submit a fully completed request card to the City Secretary prior to the beginning of the Citizens' Input portion of the Council meeting. In accordance with the Texas Open Meetings Act, the City Council cannot discuss issues raised or make any decisions at this time. Issues may be referred to City Staff for research and possible future action.

4. CONSENT AGENDA

The following may be acted upon in one motion. A City Councilmember may request items be removed from the Consent Agenda for individual consideration.

A.	Consider the Minutes for the August 27, 2024, Special City Council Meeting. Special Called Meetings - 27 Aug 2024 - Minutes	32 - 33
B.	Consider a Resolution approving an amendment to the Municipal Materials Management Agreement by and between Republic Services of Texas, LTD. and the City of Duncanville to increase contract rates by 5.30% for residential collection and commercial services, effective October 1, 2024. Municipal Materials Management Agreement Rate Increase	34 - 46
C.	Consider a Resolution approving an amendment to the Solid Waste Disposal Agreement by and between Waste Management of Texas, Inc. and the City of Duncanville to increase contract rates by 5.76% for solid waste disposal, effective October 1, 2024. Solid Waste Disposal Agreement Rate Increase	47 - 57
D.	Consider a Resolution approving the terms and conditions of Amendment No. 2 to the Household Hazardous Waste Interlocal Agreement between Dallas County and the City of Duncanville, Texas, to provide household hazardous waste services, including a disposal event and disposal services at the Dallas County fixed-site Home Chemical Collection Center from October 1, 2024, through September 30, 2025, as part of the Dallas Area Household Hazardous Waste Network, for a cost not to exceed $54,981.00. Amendment No. 2 to the Household Hazardous Waste Interlocal Agreement	58 - 65
E.	Consider a Resolution authorizing an amendment to the professional services agreement with MRB Group, P.C., for design engineering services for drainage improvements in an amount of $18,500.00, for a total contract not exceeding $63,500.00.	66 - 74

Drainage Improvements Project Contract Amendment

F. Consider a resolution of the City Council of the City of Duncanville, Texas, approving a negotiated settlement between Atmos Energy Corp., Mid-Tex Division regarding the company's 2024 rate review mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attachment establishing for pensions and retiree medical benefits; requiring the company to reimburse ACSC's reasonable rate making expenses; determining that this resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this resolution to the company and the ACSC's legal counsel. 75 - 107

Atmos Mid-Tex 2024 RRM Settlement

G. Consider a Resolution for approving and adopting an updated Fund Balance Policy for the City of Duncanville 108 - 116

Fund Balance Policy for the City of Duncanville

H. Consider a Resolution authorizing an Interlocal Cooperation Agreement with the North Central Texas Council of Governments for orthophotography, lidar, and derivative data services with renewal option for four additional one-year terms, in an estimated contract amount not to exceed $104,990.00, subject to City Council appropriation. 117 - 127

Spatial Data Interlocal Agreement

5. ITEMS FOR INDIVIDUAL CONSIDERATION

A. Take any necessary action as a result of the Executive Session.

B. Open and hold the continued Public Hearing on the FY 2024-25 Proposed Budget 128 - 132

Open and hold the continued Public Hearing on the FY 2024-25 Proposed Budget

C. Conduct a Public Hearing on the 2024 tax rate. 133 - 135

Conduct a Public Hearing on the 2024 Tax Rate

D. Ordinance approving and adopting a budget for the City for the Fiscal Year October 1, 2024, through September 30, 2025 136 - 170

FY 2024-25 Budget Adoption

E. Consider an Ordinance of the City of Duncanville, Texas, levying Ad Valorem Taxes for the Year 2024 at a rate of $0.614834 per one hundred dollars ($100.00) assessed valuation on all taxable property within the corporate limits of the City of Duncanville as of January 1, 2024, to provide revenues for current expenses and interest and sinking fund requirements. 171 - 176

Levy 2024 Ad Valorem Taxes

F. Consider an Ordinance ratifying the Fiscal Year 2024-2025 Budget which raises more revenue from property tax than in the previous year. 177 - 180

Ratification of FY 2024-2025 Budget

G. Civil Service Ordinance amending the pay plan 181 - 186
Amendment of Ordinance 2502

H. Approve the FY 2024-2025 Master Fee Schedule 187 - 207
FY 2024-2025 Master Fees

I. Consider appointments to various Boards and Commissions including Zoning Board of Adjustment, City Planning & Zoning Commission, Community Engagement Board, Duncanville Community and Economic Development Corporation Board (DCEDC), Duncanville Neighborhood Vitality Commission, Keep Duncanville Beautiful Board, Library Advisory Board, Multicultural Commission, Park & Recreation Advisory Board, Sign Control Board, and TIF (Tax Increment financing Reinvestment Zone Number One). 208 - 213
Board and Commission Appointments

J. Conduct a Public Hearing and consider adopting an Ordinance amending the Comprehensive Zoning Ordinance and Map, as heretofore amended, by amending the existing Local Office Retail (LOR) District to grant a Specific Use Permit to allow for a Banquet or Event Center on real property located on Grace Properties, Block A, Lot 1, ACS 2.001, more commonly known as 119 East Danieldale Road, Duncanville, Dallas County, Texas. 214 - 233
Special Use Permit - Banquet or Event Center - 119 East Danieldale Road

K. Consider a Resolution creating a fund and adoption of a policy known as the Duncanville Arts Fund 234 - 299
Duncanville Arts Fund adoption

L. Consider a resolution casting a ballot for places 11-14 on the Board of Trustees for the Texas Municipal League Intergovernmental Risk Pool. 300 - 308
TML Risk Pool Board of Trustees Ballot

M. Consider a resolution nominating up to five candidates for election to the Board of Directors of Dallas Central Appraisal District. 309 - 319
DCAD Board of Directors Nominees

N. Consider approving Resolution 2024-329 selecting _____ as the 2024 Hispanic Heritage Festival honoree for the City of Duncanville. 320 - 323
Mr Ms Hispanic Heritage Festival Res

O. Consider an Ordinance amending the code of ordinances by amending chapter 12 ‘Miscellaneous Offenses and Provisions’, Article XXVI ‘Mobile Food Vendors and Mobile Vending Units’, to allow for exemptions to commissary requirements for certain mobile food vendors. 324 - 328
Frozen Food Vendor Commissary Exemption Ordinance

6. STAFF AND BOARD REPORTS

A. Receive a briefing on the Investment Policy, Council discussion, and direction if needed. 329 - 353
FY2025 Investment Policy

B. Receive a presentation from the Duncanville Police Department on revising Chapter Four—Animals and Fowl City Ordinance to comply with state legislation changes and best practices, Council discussion on the proposed changes, and direction if needed. 354 - 379

Chapter Four—Animals and Fowl City Ordinance

C. Council to receive a briefing on the use of 103 Main Street, the building across the parking lot from City Hall, and discussion with the City Manager on the use of the building. 380 - 381

Council to receive briefing on 103, the building adjacent to City Hall

ADJOURNMENT

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located outside the entrance to the City of Duncanville City Hall, next to the entryway doors, a place convenient and readily accessible to the general public, as well as to the City's website www.duncanvilletx.gov and said Notice was posted **by** the following date and time: **Thursday, September 12, 2024, by 5:30 P.M.** and remained posted for at least two hours after said meeting was convened.

Chiquita Taylor, City Secretary

"Guns prohibited on these premises by state law unless licensed under Chapter 411, Tex. Gov. Code. Section 46.035 Texas Penal Code."

"Las armas de fuego están prohibidas en estas instalaciones por la ley estatal a menos que estén autorizadas bajo el Capítulo 411 del Código de Gobierno de Texas. Sección 46.035 del Código Penal de Texas."

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
The City Council shall convene into closed executive session pursuant to Section 551.071 of the Texas Government Code to seek legal advice from the City Attorney regarding Resolution 2024-264 delegating grants of Hotel Occupancy Tax revenues to the Duncanville Community and Economic Development Corporation.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Promote: Innovative Ideas for Development and Re-development**
  - **Pursue a diverse and robust economy through various business, housing, and employment opportunities that encourage forward-thinking community and economic development.**

STAFF RESPONSIBLE:
Douglas Finch, City Manager

BACKGROUND/HISTORY:
The City Council shall convene into closed executive session pursuant to Section 551.071 of the Texas Government Code to seek legal advice from the City Attorney regarding Resolution 2024-264 delegating grants of Hotel Occupancy Tax revenues to the Duncanville Community and Economic Development Corporation

POLICY EXPLANATION:
The City Council shall convene into closed executive session pursuant to Section 551.071 of the Texas Government Code to seek legal advice from the City Attorney regarding Resolution 2024-264 delegating grants of Hotel Occupancy Tax revenues to the Duncanville Community and Economic Development Corporation

FUNDING SOURCE:

ORG and Object Number

N/A

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:

1. Other actions as directed by Council.

STAFF REPORT

MEETING: City Council - 17 Sep 2024

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STAFF RESPONSIBLE:
Chiquita Taylor, City Secretary

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The City Council shall convene into Executive Session pursuant to the Texas Government Code Section 551.074 (Personnel) to discuss appointments, dismissals and/or duties to the Planning and Zoning Commission, Board of Adjustment, Duncanville Community and Economic Development Corporation Board, and TIF (Tax Increment Financing Reinvestment Zone Number One).

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The City Council shall convene into Executive Session pursuant to the Texas Government Code Section 551.074 (Personnel) to discuss appointments, dismissals and/or duties to the Planning and Zoning Commission, Board of Adjustment, Duncanville Community and Economic Development Corporation Board, and TIF (Tax Increment Financing Reinvestment Zone Number One).

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ORG and Object Number
N/A

Available Budget	Purchase Amount	After Encumber
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STAFF REPORT

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TITLE:
City Council shall convene in Executive Session pursuant to Section 551.072 of the Texas Government Code, to deliberate the sale, exchange, lease, purchase, or value of certain real property located south of Camp Wisdom Rd, north of Danieldale Rd, east of Cedar Ridge Dr, west of Cockrell Hill Rd, and, pursuant to Section 551.071 of Texas Government Code, to seek legal advice from the City Attorney regarding the same.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Victor Barrera

BACKGROUND/HISTORY:
City Council shall convene in Executive Session pursuant to Section 551.072 of the Texas Government Code, to deliberate the sale, exchange, lease, purchase, or value of certain real property located south of Camp Wisdom Rd, north of Danieldale Rd, east of Cedar Ridge Dr, west of Cockrell Hill Rd, and, pursuant to Section 551.071 of Texas Government Code, to seek legal advice from the City Attorney regarding the same.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	Purchase Amount	After Encumber
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
1. Take any necessary action as a result of executive session.

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
The City Council shall convene into closed executive session pursuant to Section 551.072 of the Texas Government Code, to deliberate the sale, purchase or exchange of real property north of Wheatland South of I-20, East of Cedar Ridge Road, and West of SH 67.

Vision Statement:

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Pillar:

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  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Douglas Finch, City Manager

BACKGROUND/HISTORY:
The City Council shall convene into closed executive session pursuant to Section 551.072 of the Texas Government Code, to deliberate the sale, purchase or exchange of real property north of Wheatland South of I-20, East of Cedar Ridge Road, and West of SH 67.

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FUNDING SOURCE:

ORG and Object Number
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Available Budget	Purchase Amount	After Encumber
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ACTION ALTERNATIVES:
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STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
City Council to receive a briefing on equity in infrastructure management initiatives, discussion, and direction if any to the City Manager.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Develop: Infrastructure Improvement Strategy**
  - **Ensure the viability and adaptability of the city's infrastructure, facilities, and transportation network through thoughtful financial and long-term planning.**
- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Shahad Mohammed, Assistant Director of Public Works

BACKGROUND/HISTORY:
Considering equity in budget decision-making as well as a prioritization factor is an emerging aspect across several government agencies. This briefing explores the integration of equity into infrastructure management practices, focusing on strategies to ensure fair distribution of resources and opportunities across diverse communities. By highlighting case studies and best practices, the briefing aims to provide actionable insights for policymakers and stakeholders committed to advancing equity through more inclusive and transparent infrastructure management systems. The goal is to foster a collaborative approach that enhances infrastructure quality while addressing social and economic inequalities.

POLICY EXPLANATION:
N/A

FUNDING SOURCE:

ORG and Object Number

N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:
N/A

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
City Council to receive a briefing on the status of the Cedar Ridge Road Reconstruction Project, provide for an opportunity for City Council to discuss, and provide direction if needed. This is part of the 2018 bond projects.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Advance: Marketing Strategy of the City and Community Engagement Plan**
  - **Strengthen communication and engagement within the community while championing the City of Duncanville regionally, nationally, and internationally.**
- **Develop: Infrastructure Improvement Strategy**
  - **Ensure the viability and adaptability of the city's infrastructure, facilities, and transportation network through thoughtful financial and long-term planning.**

STAFF RESPONSIBLE:
Matt Bryant, Director of Public Works
Shahad Mohammed, Assistant Director of Public Works

BACKGROUND/HISTORY:
Under 2018 Proposition B, $2,000,000.00 in bond funds were allocated for the design and construction of improvements along a segment of Cedar Ridge Dr. On June 1, 2021, City Council authorized PSA 21-031 for Engineering Consultant Services with Dunaway Associates to design Cedar Ridge Street Reconstruction and Subsurface Utility Improvements from Big Stone Gap Rd. to Wheatland Rd. The agreement was amended (Change Order 1 - $9,200.00) in April 2022 to authorize further study of the Cedar Ridge Drive corridor to confirm the section of roadway selected for reconstruction provided the most value to the City.

After a briefing of Dunaway's corridor study findings on January 17, 2023, City Council selected the segment along Cedar Ridge between Middale Rd. to Camp Wisdom to be reconstructed. The agreement was amended (Change Order 2 - $32,425.00) to design concrete roadway paving, sidewalk, drainage, water, wastewater, and pedestrian signalization improvements along this segment. This includes approximately 1,500 LF of 6-lane arterial roadway concrete paving, 2,800 LF of improved pedestrian sidewalks and ADA ramps, 1,400 LF of 8-in diameter water pipeline, 1,400 LF of 8-in diameter wastewater pipeline, and underground storm drainage to be replaced. The scope also includes curb ramps and pedestrian-related traffic signal enhancements at both intersections.

POLICY EXPLANATION:
Dunaway Associates is here to provide a status update regarding the Cedar Ridge Road Reconstruction Project and to answer any project-related questions.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:
N/A

Duncanville
City of Champions

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
City Council to receive a briefing on the status of the FY24 Mill and Overlay Project, provide for an opportunity for City Council to discuss, and provide direction if needed.

Vision Statement:

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Pillar:

- **Develop: Infrastructure Improvement Strategy**
  - **Ensure the viability and adaptability of the city's infrastructure, facilities, and transportation network through thoughtful financial and long-term planning.**

STAFF RESPONSIBLE:
Matt Bryant, Director of Public Works
Shahad Mohammed, Assistant Director of Public Works
Kelly McChesney, Street Superintendent

BACKGROUND/HISTORY:
City Council awarded RFB 23-0017 to Anderson Asphalt & Concrete Paving, LLC. for street mill and overlay improvements on October 17, 2023. This included an initial one-year term with the option to renew for up to three additional one-year terms in a contract amount not exceeding $1,600,000.00.

Hot mix asphalt mill and overlay is a cost-effective street maintenance strategy to prolong the life of public streets. This treatment involves milling the top few inches of the damaged or deteriorated asphalt pavement surface and overlaying the road with fresh asphalt pavement. This creates a new driving surface estimated to last 20 years.

The FY24 mill and overlay improvements began on September 6th and are on track to be completed by Monday, September 30th. The following streets are being improved:

- Forest (S. Alexander to E. Center)
- Rolling Ridge (Steger to Markwood)
- Middale (Hill City to Steger)
- Markwood (Rolling Ridge to Middale)
- Jellison (Link to Concrete)
- West Ridge (Greenstone to Casa Grande)
- Vineyard (S. Main to Merrifield)

- Shady Trail (Main St to Concrete)

POLICY EXPLANATION:
N/A

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:
N/A

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
The council will receive a briefing on the process for canceling meetings due to a lack of quorum, discuss the topic, and provide direction if needed.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
Chiquita Taylor, City Secretary

BACKGROUND/HISTORY:
The council will discuss and receive advice from the City Attorney on clearly defining "no quorum." Consider if this is something we want to be determined before the start of the meeting time and the possible consequences.

POLICY EXPLANATION:
N/A

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	Purchase Amount	After Encumber
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
1. Other actions as directed by Council.

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Discuss the selection of a Mr. or Ms. Hispanic Heritage Festival to represent the City of Duncanville at the Best Southwest Hispanic Heritage Festival.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Bart Stevenson, Director of Parks and Recreation

BACKGROUND/HISTORY:
The City of DeSoto will be hosting the inaugural Best Southwest Hispanic Heritage Festival on Saturday, September 21, 2024. DeSoto has requested that each of the four cities honor one person from their respective community to be honored at the event as Mr. or Ms. Hispanic Heritage Festival. The Duncanville honoree will be provided VIP access to the event and recognized on-stage.

POLICY EXPLANATION:
There are no policies related to this item.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:
City Council will discuss their selection for the Mr. or Ms. Hispanic Heritage Festival for Duncanville.

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Proclamation recognizing September 15 to October 15, 2024 as National Hispanic American Heritage Month.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Advance: Marketing Strategy of the City and Community Engagement Plan**
  - **Strengthen communication and engagement within the community while championing the City of Duncanville regionally, nationally, and internationally.**
- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Bart Stevenson, Director of Parks and Recreation

BACKGROUND/HISTORY:
Every year from September 15 to October 15, Americans celebrate National Hispanic Heritage Month by appreciating the community's history, heritage, and contributions of the ancestors of American citizens who came from Mexico, Spain, the Caribbean, and South and Central America.

Hispanic Heritage Month originally started with one week of commemoration when it was first introduced by Congressman George E. Brown in June 1968. With the civil rights movement, the need to recognize the contributions of the Latin community gained traction in the 1960s. Awareness of the multicultural groups living in the United States was also gradually growing.

Two heavily Latinx and Hispanic populated areas, the San Gabriel Valley and East Los Angeles, were represented by Brown. His aim was to recognize the integral roles of these communities in American history. Observation of Hispanic Heritage Week started in 1968 under President Lyndon B. Johnson and was later extended to a 30-day celebration by President Ronald Reagan, starting on September 15 and ending on October 15. It was enacted into law via approval of Public Law 100-402 on August 17, 1988.

September 15 is set as the starting date for the month as it is important for many reasons. It is the independence anniversary for Latin American countries El Salvador, Guatemala, Costa Rica, Nicaragua, and Honduras. From here onwards, the independence days of Mexico and Chile fall on September 16 and September 18, respectively. Día de la Raza or Columbus Day also falls within this month, on October 12.

Hispanic Americans have been integral to the prosperity of the U.S. Their contributions to the nation are immeasurable, and they embody the best of American values. The Hispanic-American community has left an indelible mark on the U.S. culture and economy.

The 2024 Best Southwest Hispanic Heritage Celebration will be held on Saturday, September 21, 2024, from 6:00 – 9:30 p.m. at Grimes Park, 501 E. Wintergreen Rd., DeSoto, TX 75115.

POLICY EXPLANATION:
The City of Duncanville recognizes various organizations, groups, and individuals for their outstanding contributions to the community by Proclamation.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
N/A

ATTACHMENTS:
Proclamation - National Hispanic Heritage Month 2024
Hispanic Heritage Festival - Flyer

OFFICE OF THE MAYOR

Duncanville
City of Champions

Proclamation

WHEREAS, each year, from September 15 to October 15, Americans celebrate National Hispanic Heritage Month by appreciating the history, heritage, and contributions of the ancestor community that came from Mexico, Spain, the Caribbean, and South and Central America; and

WHEREAS, Hispanic Heritage Month originally began with a week of commemoration when it was first introduced by Congressman George E. Brown in June 1968. With the civil rights movement, the need to recognize the contributions of the Latino community gained acceptance in the 1960s; and

WHEREAS, later extended to a 30-day celebration by President Ronald Reagan, beginning on September 15 and ending on October 15, it became law in August 1988; and

WHEREAS, Hispanics have been an integral part of America's prosperity. Hispanic contributions to the nation are immense, and they demonstrate the best of American values; and

WHEREAS, even greater are the contributions to the prosperity and sustainability of the City of Duncanville by our Hispanics who make up forty percent of our population; and

WHEREAS, we see your venture for your many businesses in our city. And we see your investment in our city for your service on many of our boards and commissions; and

WHEREAS, the 2024 Best Southwest Hispanic Heritage Celebration will be held on Saturday, September 21, 2024, from 6:00 – 9:30 p.m. at Grimes Park, 501 E. Wintergreen Rd., DeSoto, TX 75115.

NOW, THEREFORE, I, Greg Contreras, Mayor of the City of Duncanville, Texas do hereby proclaim September 15 to October 15 as

HISPANIC HERITAGE RECOGNITION MONTH

in the City of Duncanville and urge all citizens to join me in celebrating the spirit and accomplishments of Hispanic Americans everywhere.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Duncanville, Texas to be affixed this 17th day of September 2024.

Mayor, The City of Duncanville

OFFICE OF THE MAYOR

Duncanville
City of Champions

Proclamación

MIENTRAS QUE: cada año, del 15 de septiembre al 15 de octubre, los estadounidenses celebran el Mes Nacional de la Herencia Hispana apreciando la historia, la herencia y las contribuciones de la comunidad de los antepasados que vinieron de México, España, el Caribe y América del Sur y América Central; y

MIENTRAS QUE: el Mes de la Herencia Hispana comenzó originalmente con una semana de conmemoración cuando fue presentado por primera vez por el Congresista George E. Brown en junio de 1968. Con el movimiento de derechos civiles, la necesidad de reconocer las contribuciones de la comunidad latina ganó aceptación en la década de 1960; y

MIENTRAS QUE: más tarde se extendió a una celebración de 30 días por el presidente Ronald Reagan, comenzando el 15 de septiembre y terminando el 15 de octubre, se convirtió en ley en agosto de 1988; y

MIENTRAS QUE: los hispanos han sido parte integral a la prosperidad de los Estados Unidos. Las contribuciones hispanas a la nación son inmensas y demuestran lo mejor de los valores estadounidenses; y

MIENTRAS QUE: aún mayores son las contribuciones a la prosperidad y sostenibilidad de la Ciudad de Duncanville por parte de nuestros hispanos, quienes representan el cuarenta por ciento de nuestra población; y

MIENTRAS QUE: vemos su emprendimiento por sus muchos negocios en nuestra ciudad. Y vemos su inversión en nuestra ciudad por su servicio en muchas de nuestras juntas y comisiones; y

MIENTRAS QUE: la Celebración de la Herencia Hispana del Suroeste 2024 se llevará a cabo el sábado 21 de septiembre de 2024, de 6:00 a 9:30 p. m. en Grimes Park, 501 E. Wintergreen Rd., DeSoto, TX 75115

AHORA, POR LO TANTO: Yo, Greg Contreras, Alcalde de la Ciudad de Duncanville, Texas, por el presente, proclamo este mes, del 15 de septiembre a 15 de octubre como

MES DE RECONOCIMIENTO DE LA HERENCIA HISPANA

en la ciudad de Duncanville e insto a todos los ciudadanos a unirse a mí para celebrar el espíritu y los logros de los hispanoamericanos en todas partes.

EN TESTIMONIO DEL PRESENTE, he firmado y estampado el Sello de la Ciudad de Duncanville, Texas, el día 17 de septiembre de 2024.

_____

Alcalde, Ciudad de Duncanville

SEPT 21
FOOD | FAMILY FUN | VENDORS
HISPANIC HERITAGE FEST
SCAN CODE FOR TICKETS
United Lowriders Association
ULA
Dallas / Ft Worth
JAY PEREZ
DAVID MAREZ
STEFANI MONTIEL
CONNIE PENA
LIL FRANKIE
DJ RAMON
DESOTOEVENTS.EVENTBRITE.COM
SEPTEMBER 21ST | FREE EVENT | GATES OPEN 5PM | PERFORMANCES 6PM | FREE PARKING
GRIMES PARK | 501 E. WINTERGREEN RD. | DESOTO,TX
DeSoto So much to love
Duncanville City of Champions
Lancaster
CEDAR HILL PARKS AND RECREATION

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Proclamation designating October as National Arts and Humanities Month.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Advance: Marketing Strategy of the City and Community Engagement Plan**
  - **Strengthen communication and engagement within the community while championing the City of Duncanville regionally, nationally, and internationally.**
- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Alex Hamby, Communications and Marketing Administrator

BACKGROUND/HISTORY:
Since 1993, Americans has celebrated October as National Arts and Humanities Month (NAHM). It was initiated to encourage Americans to explore new facets of the arts and humanities in their lives, and to begin a lifelong habit of participation in the arts and humanities.

POLICY EXPLANATION:
National Arts and Humanities Month was established with the goals of focusing on equitable access to the arts at local, state, and national levels; encouraging individuals, organizations, and diverse communities to participate in the arts; allowing governments and businesses to show their support of the arts; and raising public awareness about the positive impact of the arts and humanities in our communities and lives.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
N/A

ATTACHMENTS:
2024 National Arts & Humanities Month

OFFICE OF THE MAYOR

Duncanville
City of Champions

Proclamation

WHEREAS, celebrating the importance of culture in America began officially in 1993, with October now observed as National Arts and Humanities Month; and,

WHEREAS, during the American Revolution, in a letter to the American Academy of Arts and Sciences, General George Washington wrote, "The arts and sciences [are] essential to the prosperity of the State and… the ornament and happiness of human life." His words are a reminder that, since our founding days, America's arts and humanities have reflected the story of our Nation; and,

WHEREAS, the arts and humanities embody much of the accumulated wisdom, intellect, and imagination of humankind, thereby enhancing and enriching the lives of every American; and,

WHEREAS, the indelible impact of accomplished artists and scholars, of amateurs and students, from poets and painters to musicians and actors reflects the power of art to promote civic engagement and cultural understanding, as every artist offers a testament to the larger truth that art connects us all; and

WHEREAS, public support for the arts at the federal level and through 50 states, in six special jurisdictions and thousands of large and small cities and counties has stimulated a healthy, vibrant, and growing nonprofit arts economy; and

WHEREAS, our community continues to recognize the growing number of our citizens who give voice to diverse cultures, as both participants and recipients, and who generously offer the fruits of their talents to young and old alike; and

WHEREAS, National Arts and Humanities Month offers the opportunity to share the pivotal role of artistic expression of the aspirations of humanity to heal and restore, to inspire, to acknowledge challenges and successes; and to recognize the arts as a public resource for good that ought to be accessible to all.

NOW, THEREFORE, I, Greg Contreras, Mayor of the City of Duncanville, Texas do hereby call upon all citizens of Duncanville and upon all civic and community organizations to observe the month of October 2024 as

National Arts & Humanities Month

I call upon all Duncanville citizens to acknowledge the importance of this month, to celebrate the arts and culture of our nation, our state, and our city, and to specifically encourage greater participation by community members in acting for the arts and humanities.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Duncanville, Texas to be affixed this 17th day of September 2024.

Mayor, The City of Duncanville

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Proclamation proclaiming October 6 - 12, 2024, as Fire Prevention Week throughout this community, urging all the people of Duncanville to learn “Smoke Alarms: Make them work for you!”, and to participate in the many public safety activities and efforts of Duncanville’s fire and emergency services during Fire Prevention Week 2024.

Vision Statement:

“Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance.”

Pillar:

- **Advance: Marketing Strategy of the City and Community Engagement Plan**
  - **Strengthen communication and engagement within the community while championing the City of Duncanville regionally, nationally, and internationally.**

STAFF RESPONSIBLE:
Chris Connealy, Fire Chief
Steve Blanchard, Fire Marshal

BACKGROUND/HISTORY:
Proclamation proclaiming October 6 - 12, 2024, as Fire Prevention Week throughout this community, urging all the people of Duncanville to learn “Smoke Alarms: Make them work for you!”

POLICY EXPLANATION:
Proclamation proclaiming October 6 - 12, 2024, as Fire Prevention Week throughout this community, urging all the people of Duncanville to learn “Smoke Alarms: Make them work for you!”

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
1. Proclaim October 6 - 12, 2024, as Fire Prevention Week throughout this community, urging all the people of Duncanville to learn “Smoke Alarms: Make them work for you!”.

2. Other actions as directed by Council.

ATTACHMENTS:
Fire Prevention Week Proclamation - 2024

Fire Prevention Week Proclamation

WHEREAS, the city of Duncanville, Texas is committed to ensuring the safety and security of all those living in and visiting Duncanville; and

WHEREAS, fire is a serious public safety concern both locally and nationally, and home are the locations where people are at greatest risk from fire; and

WHEREAS, NFPA data shows the majority of U.S. home fire deaths continue to occur in homes with no smoke alarms or no working smoke alarms; and

WHEARAS, this year's campaign strives to educate everyone about the importance of having working smoke alarms in the home; and

WHEREAS, having working smoke alarms in the home reduces the risk of dying in a home fire by more than half (54 percent). However, roughly three out of five fire deaths occur in homes with either no smoke alarms or no working smoke alarms. More than one-third (38 percent) of home fire deaths result from fires in which no smoke alarms are present; and

WHEREAS, residents can take measures to know-how to keep their smoke alarms in working order by ; and

WHEREAS, Duncanville's first responders are dedicated to reducing the occurrence of home fires and home fire injuries through prevention and protection education; and

WHEREAS, Duncanville residents are responsive to public education measures and are able to take personal steps to increase their safety from fire, especially in their homes; and

WHEREAS, the 2024 Fire Prevention Week theme, "Smoke Alarms: Make them work for you!" reinforces the critical importance of smoke alarms and what's needed to install, test and mainstem them properly;

THEREFORE, I (MAYOR'S NAME) Mayor of Duncanville do hereby proclaim October 6 - 12, 2024, as Fire Prevention Week throughout this community. I urge all the people of Duncanville to learn "Smoke Alarms: Make them work for you!", and to participate in the many public safety activities and efforts of Duncanville's fire and emergency services during Fire Prevention Week 2024.

Duncanville Special Called Meeting Minutes
Regular Meeting
Tuesday, August 27, 2024

CALL TO ORDER
A special meeting of the Duncanville City Council was called to order on Tuesday, August 27, 2024, at 6:03 p.m. in the Council Briefing Room at City Hall with a quorum to wit:

COUNCIL PRESENT:
Councilmember At-Large DeMonica Gooden
Councilmember Joe Veracruz
Councilmember Don McBurnett
Mayor Pro Tem Jeremy Koontz
Councilmember Karen Cherry-Brown
Mayor Greg Contreras
Councilmember Kyle Pennebaker

COUNCIL ARRIVING AT:

COUNCIL ABSENT:

1. RECEIVE PUBLIC COMMENTS

Royce Milam
623 S. Alexander Ave.
Rejuvenation of Duncanville

2. CONDUCT INTERVIEWS AND DISCUSS APPOINTMENTS FOR THE BOARD AND COMMISSION APPLICANTS FOR THE FOLLOWING BOARD AND COMMISSIONS:

- Zoning Board of Adjustment
- City Planning & Zoning Commission
- Community Engagement Board
- Duncanville Community and Economic Development Corporation Board (DCEDC)
- Duncanville Neighborhood Vitality Commission
- Keep Duncanville Beautiful Board
- Library Advisory Board
- Multicultural Commission
- Park & Recreation Advisory Board
- Sign Control Board
- TIF (Tax Increment Financing Reinvestment Zone Number One)
- Tri-Cities Animal Control Board

Interviews held

3. DISCUSS APPOINTMENTS, DISMISSALS, DUTIES AND/OR ELIMINATION OF POSSIBLE BOARDS

Open Discussion and board nominations made

4. EXECUTIVE SESSION

The open session was recessed, and the Executive Session was called into session at 8:09 p.m. Mayor Contreras read the item into the record.

The Council closed the executive session at 10:36 p.m. and reconvened into the open session.

The City Council shall convene into Executive Session pursuant to the Texas Government Code Section 551.074 (Personnel) to discuss appointments, dismissals and/or duties to the Planning and Zoning Commission, Board of Adjustment, Duncanville Community and Economic Development Corporation Board, and TIF (Tax Increment Financing Reinvestment Zone Number One).

5. Take any necessary or appropriate action on closed/executive session matters

Discussion and board nominations made

ADJOURNMENT

The meeting was adjourned at 11:53 p.m.

ATTEST:

_____

CITY SECRETARY

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a Resolution approving an amendment to the Municipal Materials Management Agreement by and between Republic Services of Texas, LTD. and the City of Duncanville to increase contract rates by 5.30% for residential collection and commercial services, effective October 1, 2024.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Develop: Infrastructure Improvement Strategy**
  - **Ensure the viability and adaptability of the city's infrastructure, facilities, and transportation network through thoughtful financial and long-term planning.**

STAFF RESPONSIBLE:
Matt Bryant, Director of Public Works
David Dunn, Assistant Utilities Superintendent

BACKGROUND/HISTORY:
On July 16, 2019, the Duncanville City Council approved a Municipal Materials Management Agreement ("Agreement") with Republic Waste Services of Texas, LTD. ("Republic") to provide for continued garbage, recycling, and bulk/brush collection and disposal services during the initial term of September 21, 2019, through September 20, 2026. The Agreement will renew for successive five-year periods unless terminated in advance by the City of Duncanville or Republic Services.

The July 2019 Agreement includes a provision for annual rate adjustments limited to the percentage increase in the Consumer Price Index for All Urban Consumers (Water, Sewer, and Trash Collection Services). Specifically, Section 7.2, Annual Rate Adjustments, of the Agreement provides for Republic "to increase the rates for services on each anniversary of the Effective Date of the Agreement in an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers (Water, Sewer, and Trash Collection Services) U.S. City Average, as published by the United States Department of Labor, Bureau of Statistics ("the CPI"). For the CPI calculation, rates will be adjusted using the most recently available trailing twelve (12) months average CPI compared to the twelve (12) months preceding." The Agreement states that the City shall not unreasonably withhold approval of rate requests.

On August 6, 2024, staff received Republic's official request to increase the contract rate by 5.30% for residential collection and commercial services. If approved by the City Council, this contract rate

change would take effect on October 1, 2024. The contractual rate for residential collection would increase from $21.00/month/residence to $22.11 month/residence, or a difference of $1.11/month/residence. The commercial hand-collect contract rate would increase from $29.33/month to $30.88/month.

POLICY EXPLANATION:
City Council action is required to approve adjustments to solid waste rates requested by Republic Services under the Municipal Materials Management Agreement.

FUNDING SOURCE:

ORG and Object Number
19011000-700454

Available Budget	**Purchase Amount**	**After Encumber**
$3,160,394.04 (FY 25 Budget)	NA	NA

ACTION ALTERNATIVES:
1. Approve.
2. Disapprove.
3. Other actions as directed by Council.

ATTACHMENTS:
Resolution No. - 2024-311 - Republic Services Rate Increase with Exhibits

RESOLUTION NO. 2024-311

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, APPROVING AN AMENDMENT TO THE MUNICIPAL MATERIALS MANAGEMENT AGREEMENT BY AND BETWEEN REPUBLIC WASTE SERVICES OF TEXAS, LTD. AND THE CITY OF DUNCANVILLE TO INCREASE CONTRACT RATES BY 5.30% FOR RESIDENTIAL COLLECTION AND COMMERCIAL SERVICES, EFFECTIVE OCTOBER 1, 2024, ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT "A," AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY DOCUMENTS RELATED TO SAID RATE INCREASE; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Duncanville and Republic Waste Services of Texas, Ltd. ("Republic"), entered into a Municipal Materials Management Agreement for Solid Waste, Recycling, Bulky Waste, and Brush Collection and Transport Services, effective September 21, 2019, to provide residential and certain commercial solid waste collection and recycling services within the Duncanville City limits; and

WHEREAS, Section 7.2, Annual Rate Adjustments, of the Agreement (Exhibit B), provides for Republic to increase the rates for services on each anniversary of the Effective Date of the Agreement in an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers (Water, Sewer, and Trash Collection Services) U.S. City Average, as published by the United States Department of Labor, Bureau of Statistics ("the CPI"); and

WHEREAS, for the CPI calculation, rates will be adjusted using the most recently available trailing twelve months average CPI compared to the twelve months preceding; and

WHEREAS, Section 7.2 of the Agreement also states the City shall not unreasonably withhold approval of rate requests; and

WHEREAS, Republic submitted its current request (Exhibit B) to the City of Duncanville on August 6, 2024, to increase contract rates for residential collection and commercial services by 5.30%, effective October 1, 2024, based on the CPI index increase provision as referenced in Section 7.2 of the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council of the City of Duncanville, Texas, approves an amendment to the Municipal Materials Management Agreement by and between

Republic Waste Services of Texas, Ltd. and the City of Duncanville to increase contract rates by 5.30% under the Municipal Materials Management Agreement, based on the Consumer Price Index adjustment provided for in Section 7.2 of the Agreement for residential collection and commercial services, effective October 1, 2024, attached herein and incorporated as Exhibit "A," and authorizes the City Manager to execute the necessary documents related to said rate increase.

SECTION 2. This Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

FIFTH AMENDMENT TO CITY OF DUNCANVILLE SERVICES AGREEMENT WITH REPUBLIC WASTE SERVICES OF TEXAS, LTD.

CONTRACT NO. 3230018
MUNICIPAL MATERIALS MANAGEMENT AGREEMENT

THIS FIFTH AMENDMENT TO AGREEMENT is entered into as of _____ ____, **2024** ("Effective Date"), between City of Duncanville (hereinafter "City"), located at 203 E. Wheatland, Duncanville, TX 75116, and Republic Waste Services of Texas, Ltd. hereinafter "Contractor" or "Professional"), located at 1450 E. Cleveland Rd., Hutchins, TX 75141, (collectively and interchangeably referred to as the "Parties" or "Party"), is hereby executed for the purpose of amending and supplementing its previous services agreement ("Original Agreement"), which was entered into as of **July 29, 2019**, between the City and the Contractor as stated herein:

The Original Agreement provided for the Contractor's services related to solid waste and recyclables collection and disposal.

The Original Agreement now requires modifications to increase contract rates by 5.30% over the previous year.

Duncanville
City of Champions

NOW THEREFORE, the Parties, in consideration of their mutual promises and covenants, as well as other good and valuable considerations, do hereby AGREE to the following FIFTH AMENDMENT, which amends the terms, conditions, and requirements of the Original Agreement to wit:

1.

Exhibit A-1, as included in the Original Agreement, is hereby replaced with the following:

REPUBLIC SERVICES
Sustainability in Action

REPUBLIC SERVICES
FRANCHISED CITY RATES
CITY OF DUNCANVILLE
All Fees Listed Include Franchise Fees

EFFECTIVE DATE 10/01/24

COMMERCIAL FRONT LOAD RATES

Size	1xwk	2xwk	3xwk	4xwk	5xwk	6xwk	EX-PU	DEPOSIT
2 cubic yard	$ 88.80	$ 136.21	$ 193.94	$ 241.07	$ 307.99	$ 347.08	$ 32.17	Mthly Rate
3 cubic yard	$ 100.45	$ 169.48	$ 232.88	$ 294.54	$ 360.69	$ 425.74	$ 39.74	Mthly Rate
4 cubic yard	$ 112.10	$ 202.95	$ 271.87	$ 348.02	$ 425.94	$ 519.49	$ 47.32	Mthly Rate
6 cubic yard	$ 143.20	$ 270.07	$ 340.36	$ 441.32	$ 549.18	$ 650.69	$ 54.89	Mthly Rate
8 cubic yard	$ 174.24	$ 337.12	$ 408.88	$ 534.73	$ 672.40	$ 796.98	$ 68.14	Mthly Rate
4 cubic yard Pkr	$ 316.38						$ 129.60	Mthly Rate

Misc Front Load Charges

Delivery	$ 58.67		Lockbar/Caster set up fee	$ 83.01	(one time charge)
Relocate Charge	$ 58.67		Casters / Locks	$ 3.04	(per collection)
Overweight/Blocked/Trip Charges	$ 26.74		Enclosure / Gate	$ 3.55	(per collection)
Container Exchange	$ 96.10		Extra Yardage	$ 32.81	(per yard)

COMMERCIAL ROLL-OFF RATES

Size	Delivery	Rental	Haul Charge	Deposit
20-yd	$ 142.09	$ 237.23	$ 653.20	$ 961.01
30-yd	$ 142.09	$ 237.23	$ 756.85	$ 1,057.50
40-yd	$ 142.09	$ 237.23	$ 798.37	$ 1,144.95
30 yard Pkr	Open	Open	$ 798.41	Open
35 yard Pkr	Open	Open	$ 848.82	Open
42 yard Pkr	Open	Open	$ 901.68	Open

Misc Roll-Off Charges

Relocate / Blocked / Not able to Service	$ 153.97

COMMERCIAL HAND-COLLECT

Solid Waste Service: Twice per week - up to 20 bags	**$30.88**	per month
Recycle Collection (Optional): Weekly - polycart	**$22.79**	per month

RESIDENTIAL COLLECTION:

Residential Trash (Twice per week collection)	$ 12.03	
Residential Recycling (Once per week collection)	$ 6.42	
Residential Bulk / Brush (Bi-monthly collection of 10 cu-yards)	$ 3.66	
Total Residential	**$ 22.11**	

Recycle Carts

Cart Rental for Recycling (invoiced from Company)	$5.86	per month
	$17.55	per quarter
Delivery/Removal	$ 18.48	1st delivery included
Replacement Cart	$ 67.88	

ADDITIONAL BULK ITEMS

Commercial and Residential customers may contact Company for collection of additional bulk/brush on an on-call basis for a rate negotiated by the Company

1450 E Cleveland Rd, Hutchins, TX 75141 | RepublicServices.com | Environmental Services, Recycling & Waste

FIFTH AMENDMENT TO CITY OF DUNCANVILLE SERVICES AGREEMENT WITH REPUBLIC WASTE SERVICES OF TEXAS, LTD.

CONTRACT NO. 3230018
MUNICIPAL MATERIALS MANAGEMENT AGREEMENT

The Parties hereto agree that, except as specifically provided for by the agreed-to changes within this Fifth Amendment, all of the terms, covenants, conditions, agreements, rights, responsibilities, and obligations of the Parties, set forth in both the Original Agreement and now the Fifth Amendment shall be and will remain in full force and effect.

IN WITNESS WHEREOF, the City and the Contractor have each executed this Fifth Amendment by and through their respective duly authorized representatives and officers as indicated below:

CITY OF DUNCANVILLE

(City)

Approved: _____

By: Douglas Finch

Title: City Manager

Date: _____

REPUBLIC WASTE SERVICES OF TEXAS, LTD.
(Contractor)

Approved: _____

By: Scott Hempel

Title: General Manager

Date: 8/23/2024

Exhibit B

REPUBLIC SERVICES

Sustainability in Action

August 6, 2024

Mr. David Dunn
City of Duncanville
330 Shady Trail
Duncanville, TX 75137

Dear Mr. Dunn,

Republic Services would like to take this opportunity to thank City of Duncanville staff and Council for allowing us to serve the solid waste and recycling needs of the community. In accordance with the *Municipal Material Management Agreement* for solid waste service, this letter serves as our official request of the annual rate adjustment allowed in Section 7.2.

By calculating the percent change between the most recent rolling 12-month average compared to the preceding 12 months of the Consumer Price Index (CPI) – Water, Sewer, Trash Collection Services, published by the U.S. Bureau of Labor Statistics, the annual rate adjustment is 5.30%. This increase in rates for residential, commercial, and industrial customers will take effect October 1, 2024, after approval of the Duncanville City Council.

Included in this letter is the CPI – Water/Sewer/Trash rate table, the percent change calculations, the 2024 Rate Schedule, and the 2023 Rate Schedule for comparison.

We truly appreciate your partnership and look forward to continuing to serve the City of Duncanville. Should you have any questions or need further information, please contact me on my cell at (214) 460-0163, or via email at lferguson@republicservices.com.

Kindest Regards,

Leigh Ferguson

Leigh C. Ferguson
Manager, Municipal Sales

CC: Mr. Douglas Finch, Mr. Matt Bryant, Mr. Joel Dougherty

Enc. BLS CPI – Water/Sewer/Trash Rate Table
CPI Percent Change calculations
2024 & 2023 Rate Schedules

1450 E Cleveland Rd, Hutchins, TX 75141 | RepublicServices.com | Environmental Services, Recycling & Waste

REPUBLIC SERVICES

Sustainability in Action

U.S. BUREAU OF LABOR STATISTICS

HOME | SUBJECTS | DATA TOOLS | PUBLICATIONS | ECONOMIC RELEASES | CLASSROOM | BETA

Databases, Tables & Calculators by Subject

Change Output Options: From: 2014 To: 2024 GO

include graphs include annual averages More Formatting Options

Data extracted on: August 2, 2024 (5:29:33 PM)

Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUSR0000SEHG
Seasonally Adjusted
Series Title: Water and sewer and trash collection services in U.S. city average, all urban consumers, seasonally adjusted
Area: U.S. city average
Item: Water and sewer and trash collection services
Base Period: DECEMBER 1997=100

Download: xlsx

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2014	201.127	201.736	202.363	202.930	203.260	203.791	205.073	205.900	206.330	207.704	208.734	209.853		
2015	210.090	210.981	211.468	211.987	212.729	213.299	213.986	215.560	216.143	216.550	217.124	217.742		
2016	218.191	218.681	219.417	220.319	221.497	221.680	221.530	222.383	223.102	223.631	224.493	225.013		
2017	226.235	227.001	227.360	227.883	228.445	228.803	229.186	229.664	230.179	230.838	231.604	232.042		
2018	232.771	233.609	234.041	234.873	235.894	236.642	237.301	238.261	238.605	239.276	241.862	242.436		
2019	241.276	241.538	242.397	243.288	243.924	244.538	245.073	245.294	245.965	247.032	247.582	248.024		
2020	248.510	249.233	250.136	250.495	251.100	251.661	252.555	253.678	254.302	255.065	255.894	256.927		
2021	257.377	258.186	258.966	259.418	259.755	260.652	261.873	262.456	263.782	264.564	264.854	265.854		
2022	267.774	268.890	269.370	270.269	271.096	272.197	273.281	274.577	276.782	277.175	278.136	278.982		
2023	281.088	282.971	283.892	284.911	286.612	287.753	289.219	290.514	291.272	291.968	293.055	293.479		
2024	296.694	298.037	298.900	300.032	300.287	300.956								

REPUBLIC SERVICES

Sustainability in Action

Consumer Price Index for All Urban Consumers (CP
Original Data Value

Series Id:	CUSR0000SEHG
Seasonally Adjusted	
Series	Water and sewer and trash collection services in U.S.
Area:	U.S. city average
Item:	Water and sewer and trash collection services
Base	DECEMBER 1997=100
Years:	2014 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	201.127	201.736	202.363	202.930	203.260	203.791	205.073	205.900	206.330	207.704	208.734	209.853
2015	210.090	210.981	211.468	211.987	212.729	213.299	213.986	215.560	216.143	216.550	217.124	217.742
2016	218.191	218.681	219.417	220.319	221.497	221.680	221.530	222.383	223.102	223.631	224.493	225.013
2017	226.235	227.001	227.360	227.883	228.445	228.803	229.186	229.664	230.179	230.838	231.604	232.042
2018	232.771	233.609	234.041	234.873	235.894	236.642	237.301	238.261	238.605	239.276	241.862	242.436
2019	241.276	241.538	242.397	243.288	243.924	244.538	245.073	245.294	245.965	247.032	247.582	248.024
2020	248.510	249.233	250.136	250.495	251.100	251.661	252.555	253.678	254.302	255.065	255.894	256.927
2021	257.377	258.186	258.966	259.418	259.755	260.652	261.873	262.456	263.782	264.564	264.854	265.854
2022	267.774	268.890	269.370	270.269	271.096	272.197	273.281	274.577	276.782	277.175	278.136	278.982
2023	281.088	282.971	283.892	284.911	286.612	287.753	289.219	290.514	291.272	291.968	293.055	293.479
2024	296.694	298.037	298.900	300.032	300.287	300.956						

	AVG
July 2022 - June 2023	280.513
July 2023 - June 2024	295.368
Percent Change	0.052954
	5.30%

REPUBLIC SERVICES

Sustainability in Action

REPUBLIC SERVICES

FRANCHISED CITY RATES

CITY OF DUNCANVILLE

All Fees Listed Include Franchise Fees

EFFECTIVE DATE 10/01/24

COMMERCIAL FRONT LOAD RATES

Size	1xwk	2xwk	3xwk	4xwk	5xwk	6xwk	EX-PU	DEPOSIT
2 cubic yard	$ 88.80	$ 136.21	$ 193.94	$ 241.07	$ 307.99	$ 347.08	$ 32.17	Mthly Rate
3 cubic yard	$ 100.45	$ 169.48	$ 232.88	$ 294.54	$ 360.69	$ 425.74	$ 39.74	Mthly Rate
4 cubic yard	$ 112.10	$ 202.95	$ 271.87	$ 348.02	$ 425.94	$ 519.49	$ 47.32	Mthly Rate
6 cubic yard	$ 143.20	$ 270.07	$ 340.36	$ 441.32	$ 549.18	$ 650.69	$ 54.89	Mthly Rate
8 cubic yard	$ 174.24	$ 337.12	$ 408.88	$ 534.73	$ 672.40	$ 796.98	$ 68.14	Mthly Rate
4 cubic yard Pkr	$ 316.38						$ 129.60	Mthly Rate

Misc Front Load Charges

Delivery	$ 58.67	Lockbar/Caster set up fee	$ 83.01 (one time charge)
Relocate Charge	$ 58.67	Casters / Locks	$ 3.04 (per collection)
Overweight/Blocked/Trip Charges	$ 26.74	Enclosure / Gate	$ 3.55 (per collection)
Container Exchange	$ 96.10	Extra Yardage	$ 32.81 (per yard)

COMMERCIAL ROLL-OFF RATES

Size	Delivery	Rental	Haul Charge	Deposit
20-yd	$ 142.09	$ 237.23	$ 653.20	$ 961.01
30-yd	$ 142.09	$ 237.23	$ 756.85	$ 1,057.50
40-yd	$ 142.09	$ 237.23	$ 798.37	$ 1,144.95
30 yard Pkr	Open	Open	$ 798.41	Open
35 yard Pkr	Open	Open	$ 848.82	Open
42 yard Pkr	Open	Open	$ 901.68	Open

Misc Roll-Off Charges

Relocate / Blocked / Not able to Service $ 153.97

COMMERCIAL HAND-COLLECT

Solid Waste Service: **$30.88** per month

Twice per week - up to 20 bags

Recycle Collection (Optional): **$22.79** per month

Weekly - polycart

RESIDENTIAL COLLECTION:

Residential Trash (Twice per week collection)	$ 12.03	
Residential Recycling (Once per week collection)	$ 6.42	
Residential Bulk / Brush (Bi-monthly collection of 10 cu-yards)	$ 3.66	
Total Residential	**$ 22.11**	

Recycle Carts

Cart Rental for Recycling (invoiced from Company)	$5.86	per month
	$17.55	per quarter
Delivery/Removal	$ 18.48	1st delivery included
Replacement Cart	$ 67.88	

ADDITIONAL BULK ITEMS

Commercial and Residential customers may contact Company for collection of additional bulk/brush on an on-call basis for a rate negotiated by the Company.

1450 E Cleveland Rd, Hutchins, TX 75141 | RepublicServices.com | Environmental Services, Recycling & Waste

Exhibit C

Excerpt from the Municipal Materials Management Agreement

Section 7.2

Annual Rate Adjustments. Company shall increase the rates for all Services effective on each anniversary of the Effective Date of this Agreement in an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers (Water, Sewer and Trash Collection Services) U.S. City Average, as published by United States Department of Labor, Bureau of Statistics (the "CPI"). For the CPI calculation, rates will be adjusted using the most recently available trailing twelve (12) months average CPI compared to the twelve (12) months preceding. Company must receive approval from the City to increase the base rates. The City shall not unreasonably withhold approval of such request.

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a Resolution approving an amendment to the Solid Waste Disposal Agreement by and between Waste Management of Texas, Inc. and the City of Duncanville to increase contract rates by 5.76% for solid waste disposal, effective October 1, 2024.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Develop: Infrastructure Improvement Strategy**
  - **Ensure the viability and adaptability of the city's infrastructure, facilities, and transportation network through thoughtful financial and long-term planning.**

STAFF RESPONSIBLE:
Matt Bryant, Director of Public Works
David Dunn, Assistant Utilities Superintendent

BACKGROUND/HISTORY:
Solid waste collected by Republic Services within the City of Duncanville is disposed of in the Skyline Landfill located in Ferris, Texas, under contract with Waste Management. On September 19, 2022, the Duncanville City Council approved a Solid Waste Disposal Agreement ("Agreement") with Waste Management, which continues landfill disposal services during the initial term of October 1, 2022, through September 30, 2027. The Agreement may be renewed for two additional, five-year terms upon the mutual, written consent of the City and Waste Management.

The Agreement includes a provision for annual rate adjustments, limited to the percentage increase in the Consumer Price Index for Garbage and Trash Collection Services. Specifically, Section 4.2, Annual Rate Adjustments, of the Agreement provides for Waste Management to increase the rates for services on each anniversary of the Effective Date of the Agreement in an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers, Garbage and Trash Collection Services, U.S. City Average, not seasonally adjusted, as published by the United States Department of Labor, Bureau of Statistics. For the CPI calculation, rates will be adjusted based on the change in the 12-month annual average of monthly CPI-U index values between the 12-month period immediately before the adjustment date and the 12-month period of the year before. The Agreement states that the City shall not unreasonably withhold, delay, or condition approval of rate requests.

On August 21, 2024, staff received Waste Management's official request to increase contract rates by 5.76% for solid waste disposal based on the CPI calculation. If approved by the City Council, this contract rate change would take effect on October 1, 2024. The contractual rate for solid waste disposal per ton would increase from $24.01 to $25.39, or a difference of $1.38 per ton.

POLICY EXPLANATION:
City Council action is required to approve adjustments to solid waste disposal rates requested by Waste Management.

FUNDING SOURCE:

ORG and Object Number
19011000-700458

Available Budget	**Purchase Amount**	**After Encumber**
$883,560.00 (FY 25 Budget)	NA	NA

ACTION ALTERNATIVES:
1. Approve.
2. Disapprove.
3. Other actions as directed by Council.

ATTACHMENTS:
Resolution No. - 2024-310 - Waste Management Rate Increase with Exhibits

RESOLUTION NO. 2024-310

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, APPROVING AN AMENDMENT TO THE SOLID WASTE DISPOSAL AGREEMENT BY AND BETWEEN WASTE MANAGEMENT OF TEXAS, INC. AND THE CITY OF DUNCANVILLE TO INCREASE CONTRACT RATES BY 5.76% FOR SOLID WASTE DISPOSAL, EFFECTIVE OCTOBER 1, 2024, ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT "A," AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY DOCUMENTS RELATED TO SAID RATE INCREASE; AND, PROVIDING FOR AN EFFFECTIVE DATE.

WHEREAS, the City of Duncanville and Waste Management of Texas, Inc. ("Waste Management") entered into a Solid Waste Disposal Agreement for the period of October 1, 2022, through September 30, 2027, to cause all acceptable waste that the City collects or that is collected on its behalf by its solid waste collection contractor to be delivered to Waste Management's landfill disposal site throughout the term of the Contract; and

WHEREAS, Section 4.2, Annual Rate Adjustments, of the Agreement (Exhibit C), provides for Waste Management to increase the rates for services on each anniversary of the Effective Date of the Agreement in an amount equal to the percentage increase in the Consumer Price Index for All Urban Consumers, Garbage and Trash Collection Services, U.S. City Average, as published by the United States Department of Labor, Bureau of Statistics; and

WHEREAS, for the CPI calculation, rates will be adjusted based on the change in the 12-month annual average of monthly CPI-U index values between the 12-month period of the year immediately prior to the adjustment date, and the 12-month period of the year before; and

WHEREAS, Section 4.2 of the Agreement also states the City shall not unreasonably withhold, delay, or condition approval of rate requests; and

WHEREAS, Waste Management submitted its current request (Exhibit B) to the City on August 21, 2024, to increase contract rates for solid waste disposal by 5.76%, effective October 1, 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council of the City of Duncanville approves an amendment to the Solid Waste Disposal Agreement by and between Waste

Management of Texas, Inc. and the City of Duncanville to increase contract rates by 5.76% under the Solid Waste Disposal Agreement from $24.01/ton to $25.39/ton, based on the Consumer Price Index adjustment provided for in Section 4.2 of the Agreement for solid waste disposal, effective October 1, 2024, attached hereto and incorporated herein as Exhibit "A," and authorizes the City Manager to execute the necessary documents related to said rate increase.

SECTION 2. This Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

Exhibit A

Duncanville
City of Champions

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

SECOND AMENDMENT TO CITY OF DUNCANVILLE SERVICES AGREEMENT WITH WASTE MANAGEMENT OF TEXAS, INC.

CONTRACT NO. 3230053
SOLID WASTE DISPOSAL AGREEMENT

THIS FIFTH AMENDMENT TO AGREEMENT is entered into as of _____ ____, **2024** ("Effective Date"), between City of Duncanville (hereinafter "City"), located at 203 E. Wheatland, Duncanville, TX 75116, and Waste Management of Texas, Inc. hereinafter "Contractor" or "Professional"), located at 9900 Giles Ln., Austin, TX 78754, (collectively and interchangeably referred to as the "Parties" or "Party"), is hereby executed for the purpose of amending and supplementing its previous services agreement ("Original Agreement"), which was entered into as of **October 20, 2022**, between the City and the Contractor as stated herein:

The Original Agreement provided for the Contractor's services related to solid waste disposal.

The Original Agreement now requires modifications to increase contract rates by 5.76% over the previous year.

Duncanville
City of Champions

NOW THEREFORE, the Parties, in consideration of their mutual promises and covenants, as well as other good and valuable considerations, do hereby AGREE to the following SECOND AMENDMENT, which amends the terms, conditions, and requirements of the Original Agreement to wit:

1.

The provisions of **Article 4**, as stated in the Original Agreement, are hereby amended to allow for a change in the contract amount.

Article 4 Section 4.1 is hereby amended as follows:

Base Rate: The parties have agreed upon the following Base Disposal Rate ("Base Rate") for receiving and disposing Acceptable Waste received from Customer at each Landfill. These Base Rates do not include applicable state, local, and federal fees and taxes, such as the Texas Commission on Environmental Quality disposal fee, which will be added to the Base Rates upon invoice.

$25.39 per ton plus applicable federal, state, and local fees or taxes.

SECOND AMENDMENT TO CITY OF DUNCANVILLE SERVICES AGREEMENT WITH WASTE MANAGEMENT OF TEXAS, INC.

CONTRACT NO. 3230053
SOLID WASTE DISPOSAL AGREEMENT

The Parties hereto agree that, except as specifically provided for by the agreed-to changes within this Second Amendment, all of the terms, covenants, conditions, agreements, rights, responsibilities, and obligations of the Parties, set forth in both the Original Agreement and now the Fifth Amendment shall be and will remain in full force and effect.

IN WITNESS WHEREOF, the City and the Contractor have each executed this Second Amendment by and through their respective duly authorized representatives and officers as indicated below:

CITY OF DUNCANVILLE	**WASTE MANAGEMENT OF TEXAS, INC.**
(City)	**(Contractor)**
Approved: _____	Approved: Rick Losa
By: Douglas Finch	By: Rick Losa
Title: City Manager	Title: Director Public Sector Services
Date: _____	Date: September 4, 2024

Exhibit B

August 21, 2024

David Dunn
Assistant Utilities Operations Manager
City of Duncanville

SUBJECT: DISPOSAL CONTRACT PRICE INCREASE

Mr Dunn:

WM is very proud of the partnership we have with the City Of Duncanville for many years! We look forward to servicing the business and residential disposal needs for many more years to come.

One year ago we entered into a new disposal agreement with the city. The annual inflationary catch price adjustment is now upon us. According to the terms of the Agreement signed by the City of Duncanville with Waste Management of Texas, Skyline Recycling and Disposal Facility, the rates described in the contract may be increased on each anniversary date (October 1st) of the agreement.

The specifics of the calculations are stated below:

ARTICLE 4 COMPENSATION TO OPERATOR

4.1 Base Rate. The parties have agreed upon the following Base Disposal Rate ("Base Rate") for receiving and disposing Acceptable Waste received from Customer at each Landfill. These Base Rates do not include applicable state, local, and federal fees and taxes, such as the Texas Commission on Environmental Quality disposal fee, which will be added to the Base Rates upon invoice.

$22.50 per ton plus applicable federal, state, and local fees or taxes

4.2 Annual Rate Adjustments. Commencing on the first anniversary of the Agreement Effective Date and annually on each anniversary thereafter (the "Adjustment Date"), the then current Base Rate, as adjusted hereunder, shall be increased by the same percentage increase in the Consumer Price Index, series CUSROOOOSEHG02 CPI-U Garbage & Trash Collection Services, US City Average, not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics ("CPI-U"). Operator must receive approval from the Customer to increase the Base Rates hereunder and Customer's

approval shall not be unreasonably withheld, delayed or conditioned. The CPI-U adjustment will be calculated using the change in the 12-month annual average of monthly CPI-U index values between the 12- month period of the year immediately prior to the adjustment date, and the 12-month period of the year before. Adjustments to the Contractor's service rates shall be made in units of one cent

The current CPI shows an increase of 5.76% (CPI from the Bureau of Labor Statistics).

The current rate for disposal per ton is $24.01 per ton.

The new rate for disposal per ton will be $25.39 per ton Plus - Section 4.1 - These Base Rates do not include applicable state, local, and federal fees and taxes, such as the Texas Commission on Environmental Quality disposal fee, which will be added to the Base Rates upon invoice.
Currently the TCEQ fees are .94 cents per ton.
The new all in disposal rate will be $26.33 per ton.

The effective date for the price increase will be on October 1, 2024.

We appreciate your business and strive to provide you with safe, efficient and environmentally secure disposal at Skyline Recycling and Disposal Facility. If you have any questions, please call me at 817-454-7504.

Sincerely,

Steve Kellar

Steve Kellar
Public Sector Sr. Account Manager
WM of Texas / Oklahoma
skellar@wm.com

Exhibit C

Excerpt from the Solid Waste Disposal Agreement

Section 4.2

Annual Rate Adjustments. Commencing on the first anniversary of the Agreement Effective Date and annually on each anniversary thereafter (the "Adjustment Date"), the then current Base Rate, as adjusted hereunder, shall be increased by the same percentage increase in the Consumer Price Index, series CUSROOOOSEHG02 CPI-U Garbage & Trash Collection Services, US City Average, not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics ("CPI-U"). Operator must receive approval from the Customer to increase the Base Rates hereunder and Customer's approval shall not be unreasonably withheld, delayed or conditioned. The CPI-U adjustment will be calculated using the change in the 12-month annual average of monthly CPI-U index values between the 12- month period of the year immediately prior to the adjustment date, and the 12-month period of the year before. Adjustments to the Contractor's service rates shall be made in units of one cent Contractor to indemnify and defend the Operator for any actions, claims, lawsuits, or damage sought from or filed against Operator that arise from Customer's Contractor's negligent acts or omissions or willful misconduct.

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a Resolution approving the terms and conditions of Amendment No. 2 to the Household Hazardous Waste Interlocal Agreement between Dallas County and the City of Duncanville, Texas, to provide household hazardous waste services, including a disposal event and disposal services at the Dallas County fixed-site Home Chemical Collection Center from October 1, 2024, through September 30, 2025, as part of the Dallas Area Household Hazardous Waste Network, for a cost not to exceed $54,981.00.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**
- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Matt Bryant, Director of Public Works
David Dunn, Assistant Utilities Superintendent

BACKGROUND/HISTORY:
The City of Duncanville has participated in the Dallas County Household Hazardous Waste ("HHW") Network since 1994. Sixteen cities and unincorporated Dallas County are HHW Network Member Cities. The hazardous waste program aims to protect water quality by eliminating household hazardous waste from landfills and stormwater discharges.

As a member of this HHW Network, Duncanville residents can dispose of household chemicals at Duncanville's annual spring community hazardous waste collection event and at other member cities' collection events. Additionally, residents can dispose of household chemicals year-round at Dallas County's Home Chemical Collection Center, located at 11234 Plano Road in Dallas.

The City's most recent HHW event was conducted on March 23, 2024, in the Duncanville Senior Center, James Collins Blvd parking lot. It was a success. Four hundred fifty-one households participated, collecting 28,977 pounds of hazardous waste. The HHW collection event date for the upcoming fiscal year has not yet been determined but will likely be scheduled for early spring.

The City of Duncanville and Dallas County entered into the most recent agreement on September 6, 2022, for Duncanville to join the Dallas Area Household Hazardous Waste Network (the "HHW Network") to coordinate the planning and implementation of a hazardous waste collection program from October 4, 2022, through September 30, 2023, with options to renew for four additional, one-year terms.

The proposed Amendment No. 2 will continue the Household Hazardous Waste Program through fiscal year 2025. Duncanville's individual City budget limit of $54,981.00 for the upcoming fiscal year will fund the disposal, setup, operational, capital, and transportation costs for residents' HHW collection.

POLICY EXPLANATION:
Participation in the FY2025 HHW Program will provide the City of Duncanville with household hazardous waste disposal services, limit the potential for pollution, and help the City meet its FY2025 federal stormwater permit requirements for public education and measurable public involvement.

FUNDING SOURCE:

ORG and Object Number
19011000-700450 (Sanitation Admin/Contractual Services)

Available Budget	**Purchase Amount**	**After Encumber**
$76,321.00 (FY25 Budget)	$54,981.00	$21,340.00

ACTION ALTERNATIVES:
1. Approve.
2. Disapprove.
3. Other actions as directed by Council.

ATTACHMENTS:
Resolution No. - 2024-315 - Amendment No. 2 to Household Hazardous Waste Interlocal Agreement with Exhibit

RESOLUTION NO. 2024-315

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AMENDMENT NO. 2 TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT BETWEEN DALLAS COUNTY AND THE CITY OF DUNCANVILLE, TEXAS, ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT "A," TO PROVIDE HOUSEHOLD HAZARDOUS WASTE SERVICES, INCLUDING A DISPOSAL EVENT AND DISPOSAL SERVICES AT THE DALLAS COUNTY FIXED-SITE HOME CHEMICAL COLLECTION CENTER FROM OCTOBER 1, 2024, THROUGH SEPTEMBER 30, 2025, AS PART OF THE DALLAS AREA HOUSEHOLD HAZARDOUS WASTE NETWORK, FOR A COST NOT TO EXCEED $54,981.00; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL PAPERWORK AND NECESSARY DOCUMENTS; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, as amended, provides authorization for local governments to enter into contracts with other local governments and state agencies; and

WHEREAS, the Dallas County Commissioners Court adopted Court Order Number 94-751 establishing the HHW Network to coordinate the planning and implementation of an HHW collection program; and

WHEREAS, the City of Duncanville, Texas, and Dallas County entered into an agreement on September 6, 2022 to join the Dallas Area Household Hazardous Waste Network (the "HHW Network") to coordinate the planning and implementation of a hazardous waste collection program from October 4, 2022, through September 30, 2023, with options to renew for four additional one-year terms; and

WHEREAS, the Dallas County Commissioners Court adopted Court Order 2024-0761 on August 6, 2024, approving the continuation of the Household Hazardous Waste Program, its FY2025 interlocal agreement with participating cities, and the program's FY2025 budget.

WHEREAS, the City of Duncanville, Texas, and Dallas County desire to exercise the option to renew the agreement by executing Amendment No. 2, which continues the program through FY2025 and updates the overall program budget and the individual city budgets for the new fiscal year; and

WHEREAS, Since its inception in 1994, the HHW Network has successfully served the residents of the participating local governments and is prepared to continue providing these services.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council of the City of Duncanville, Texas, hereby approves the terms and conditions of Amendment No. 2 to the Household Hazardous Waste Interlocal Agreement between Dallas County and the City of Duncanville, Texas, attached hereto and incorporated herein as Exhibit "A," to provide household hazardous waste services, including a disposal event and disposal services at the Dallas County fixed-site Home Chemical Collection Center from October 1, 2024, through September 30, 2025, as part of the Dallas Area Household Hazardous Waste Network, for a cost not to exceed $54,981.00; authorizing the City Manager to execute the necessary documents to conform to this Resolution as appropriate.

SECTION 2. This Resolution shall be effective upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

STATE OF TEXAS §
§
COUNTY OF DALLAS §

AMENDMENT NO. 2
TO THE HOUSEHOLD HAZARDOUS WASTE INTERLOCAL AGREEMENT
(The "Agreement")
BETWEEN
DALLAS COUNTY
AND
CITY OF DUNCANVILLE
(The "City")
A MEMBER CITY OF
THE DALLAS AREA HOUSEHOLD HAZARDOUS WASTE NETWORK

WHEREAS, on, August 6, 2024, the Dallas County Commissioners Court was briefed on a request from the cities of the Dallas Area Household Hazardous Waste Network to renew and revise the effective term and specify new fiscal year budgets for the Household Hazardous Waste Program Interlocal Agreement ("Agreement") that permits four additional one-year renewals for a five-year total contract term and was authorized by Court Order 2022-0661; and

WHEREAS, the proposed Amendment No.2, along with the attachment C2025, will serve to continue the Household Hazardous Waste Program through fiscal year 2025, while updating overall program budget amounts and individual city budget limits for the new fiscal year; and

WHEREAS, proposed Amendment No. 2 contains no other changes in the basic terms and conditions of the Agreement and incurs no cost to Dallas County.

NOW THEREFORE, by execution of this Amendment No. 2, the Agreement is amended hereby with respect to the items and features described in the Articles below.

I.
PURPOSE

The purpose of this Amendment is to amend the effective term and fiscal year budget of the Agreement without change to the basic terms and provisions. No other sections, provisions, clauses or conditions of the Agreement are waived, deleted or changed hereby, and they shall remain in full force and effect throughout the term of the Agreement and any duly authorized amendments.

II.
AMENDED PROVISIONS

A. The new term of the Agreement shall be October 1, 2024, through September 30, 2025.

B. The language contained in Paragraph 1, *Section IV. City Responsibilities* shall be deleted in its

entirety and replaced with the following language:

1. "A sum not to exceed $54,981.00 for disposal, setup, operational, capital, and transportation costs for HHW collection for residents of the City during the period from October 1, 2024 through September 30, 2025. This figure is based on the program's annual budget contained in **Exhibit C2025** which is incorporated herein for all purposes.
   a. Collection, setup, and disposal costs will be paid after-the-fact, based on actual usage by the City at events and at the collection center.
   b. Operational and capital costs shall be paid quarterly in advance.
   c. In the event of early withdrawal, the operational and capital costs will not be pro-rated for partial quarter participation, but will become immediately due and payable in full."

C. Exhibit C2024 of the Agreement entitled *FY2024 HHW Program Budget Summary* shall be deleted and replaced with the attached Exhibit C2025 entitled *FY2025 HHW Program Budget Summary*.

IN WITNESS WHEREOF, by their signatures below, the duly authorized representatives of Dallas County and City of Duncanville, a member city of the Dallas Area Household Hazardous Waste Network, do hereby agree and append this Amendment No. 2 to the Agreement.

EXECUTED THIS the _____ day of _____, 2024.

DALLAS COUNTY:

_____
BY: Clay Lewis Jenkins
County Judge

APPROVED AS TO FORM:*
John Creuzot
District Attorney

_____
BY: Lacey B. Lucas

CITY OF DUNCANVILLE:

_____
BY:

ATTESTED TO:

BY: _____

APPROVED AS TO FORM:

BY: _____

* By law, the Dallas County District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval by their own respective attorney(s).

Exhibit C2025

FY2025 HHW PROGRAM BUDGET SUMMARY

This exhibit summarizes the total program funding for FY2025 as approved by the Dallas Area Household Hazardous Waste Network at its regular meeting on May 8, 2024, and replaces the language contained in Exhibit C2024 of the Household Hazardous Waste Program Interlocal Agreement that was authorized by Court Order 2022-0661.

- Fixed Costs include personnel expense, operating costs, and capital budget, which are shared by the Network cities based on single-family household projections published by North Central Texas Council of Governments.
- Personnel Expense includes all HHW staff salaries and fringe.
- Operating Expense includes supplies, equipment, advertising, public education, volunteer support, staff development, printing, postage, facility maintenance, utilities, and all other direct programming costs.
- Capital Expense includes building repairs, equipment repair or replacement, mechanical upgrades, and expansion projects.
- Variable costs include estimated direct costs for collection and disposal of hazardous household wastes, which vary according to actual usage and are indicated in the budget summary for planning purposes only. ***Funding for actual collection, contract labor, and disposal costs will be collected from the cities after the fact, on an as-used basis.***
- Collection/Mobilization/Disposal Budget includes estimated costs for staging of events, recycling services, waste containers, waste transportation, and disposal.
- Contract Labor Expense is for part-time, seasonal labor provided by the disposal vendor.

Budget adjustments made to the Operational Budget during the term of the Agreement shall not result in a City Funding amount that exceeds the approved budget total shown herein. The County may make line item transfers within the operating budget when these transfers do not exceed $5,000. Budget adjustments in excess of $5,000 must be approved by the HHW Network.

BUDGET SECTION	**CITY FUNDING**
FIXED COSTS (OPERATIONAL BUDGET)	
Personnel Costs	$ 758,878
Operating Costs	$ 269,075
Capital Expense	$ 100,000
Sub-Total	$ 1,1127,953
ESTIMATED VARIABLE COSTS (COLLECTION / LABOR / DISPOSAL BUDGET)	$ 1,474,000
TOTAL PROGRAM BUDGET	**$2,601,953**

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a Resolution authorizing an amendment to the professional services agreement with MRB Group, P.C., for design engineering services for drainage improvements in an amount of $18,500.00, for a total contract not exceeding $63,500.00.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Develop: Infrastructure Improvement Strategy**
  - **Ensure the viability and adaptability of the city's infrastructure, facilities, and transportation network through thoughtful financial and long-term planning.**

STAFF RESPONSIBLE:
Matt Bryant, Director of Public Works
Shahad Mohammed, Assistant Director of Public Works

BACKGROUND/HISTORY:
In June, the City of Duncanville entered into an agreement with MRB Group to prepare plans and construction specifications to modify existing infrastructure to enhance drainage near Los Altos Ln., Jellison Blvd. & Roundtop Blvd., and Jungle Dr. The project involves approximately 150, 800, and 1400 linear feet of culverts, ditches, and driveways, respectively, as outlined below. The cost estimate to perform this design work is $45,000.00.

- The Los Altos Lane project involves existing borrow ditches crossing both sides of an existing concrete horseshoe driveway. The ditch profile and cross section will be altered to meet industry standards for minimum slopes and to enhance drainage.

- The Jellison Blvd. & Roundtop Blvd. project involves existing berms, borrow ditches, culverts, curbs, inlets, and pipes along both sides of Roundtop Blvd. The entire drainage design will be altered, as needed, to enhance drainage and improve access for mail delivery and collection and trash collection while minimizing impact on the existing water main.

- The Jungle Dr. project involves existing borrow ditches, driveways, and a driveway culvert along the east side of Jungle Dr. The ditch profile and cross section will be altered to industry standards for minimum slopes and to enhance drainage.

POLICY EXPLANATION:
Staff requests a contract amendment totaling $18,500.00 to provide additional professional engineering services to design and prepare construction plans for a water main realignment, as outlined in Attachment 1. This will include partial roadway removal and replacement, facilitating the planned drainage improvements for Roundtop Blvd.

FUNDING SOURCE:

ORG and Object Number
15050000-708102 (Drainage CIP/Construction)

Available Budget	**Purchase Amount**	**After Encumber**
$76,510.26	$18,500.00	$58,010.26

ACTION ALTERNATIVES:
1. Approve
2. Disapprove
3. Other actions as directed by Council

ATTACHMENTS:
Attachment 1 - Duncanville Drainage Contract Amendment 1
Resolution No. - 2024-323 - Drainage Improvements Contract Amendment with MRB Group with Exhibit

Attachment 1

MRB group www.mrbgroup.com

August 22, 2024

Mr. Matt Bryant, Director of Public Works
City of Duncanville
330 Shady Trail Drive
Duncanville, TX 75137

RE: PROPOSED ENGINEERING SERVICES CONTRACT AMENDMENT 1
DRAINAGE IMPROVEMENTS — CITY OF DUNCANVILLE
MRB GROUP PROJECT NO. 0401.24002.000

Dear Mr. Bryant:

MRB Group, P.C. (MRB) has prepared this Contract Amendment 1 to provide engineering design for a water main realignment, including partial roadway removal and replacement adjacent to the drainage improvements currently being designed along Roundtop Blvd. MRB Group proposes to conduct the following specific items of work:

I. Scope of Services and Compensation

A. MRB proposes to design and provide construction plans for the water main realignment along Roundtop Blvd. approximately from the intersection of Jellison Blvd. and Roundtop Blvd. to the west edge of 527 Roundtop Blvd., approximately 500 linear feet. The goal of the realignment is to create space for the construction of a drainage solution. The water main will be realigned under the Roundtop Blvd. pavement. The water main realignment plans will be included with the drainage plans currently being designed and MRB plans to include the following for this contract amendment:

1. Produce sealed water main realignment plans.
2. Provide water main details as needed for the project.
3. Produce sealed pavement removal and replacement plans.
4. Provide pavement details as needed for the project.

Total Compensation (Lump Sum) $18,500.00

The cost figures shown above represent our Lump Sum amount to be billed on a percent complete basis. Any additional work beyond this fee and outside the scope of this proposal would be reviewed with the Client. MRB Group shall submit monthly statements for services rendered during each invoicing period based on the efforts performed during that period. MRB Group Standard Rates are subject to annual adjustment with prior approval of the client.

II. Commencement of Work

Upon receipt of the signed proposal, MRB Group will begin work on the project.

If this Contract Amendment is acceptable, please sign where indicated and return it to our office. Thank you for considering our firm. We look forward to working with you on this project.

Sincerely,

Lee Lingenfelter

Lee Lingenfelter, P.E., CFM
Project Manager

Trey Taylor, P.E.
Central Texas Operations Manager

N:\0401.24002.000\Admin\Contract Amendment\Duncanville Drainage Contract Amendment 1.docx

PROPOSAL ACCEPTED FOR THE CITY OF DUNCANVILLE BY:

Signature	*Title*	*Date*

RESOLUTION NO. 2024-323

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, AUTHORIZING AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH MRB GROUP, P.C., FOR DESIGN ENGINEERING SERVICES FOR DRAINAGE IMPROVEMENTS, ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT "A," IN AN AMOUNT OF $18,500.00, FOR A TOTAL CONTRACT AMOUNT NOT EXCEEDING $63,500.00; AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY DOCUMENTS RELATED TO SAID AMENDMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Duncanville, Texas, desires to continue its commitment to infrastructure improvements to the City's utility infrastructure; and

WHEREAS, the City of Duncanville, Texas, entered into an agreement with MRB Group, P.C., for design engineering services for $45,000.00; and

WHEREAS, an amendment to the professional services agreement is proposed to revise the project scope and increase the contract value.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council of the City of Duncanville, Texas, authorizes an amendment to the professional services agreement with MRB Group, P.C., for design engineering services for drainage improvements, attached hereto and incorporated herein as Exhibit "A," in an amount of $18,500.00, for a total contract amount not exceeding $63,500.00; authorizing the City Manager to execute the necessary documents related to said amendment.

SECTION 2. This Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

Exhibit A

Duncanville
City of Champions

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

FIRST AMENDMENT TO CITY OF DUNCANVILLE SERVICES AGREEMENT WITH MRB GROUP, P.C.

1414 LOS ALTOS LN., JELLISON BLVD. & ROUNDTOP BLVD., AND JUNGLE DR. DRAINAGE IMPROVEMENTS
PO NO-2240596

THIS FIRST AMENDMENT TO AGREEMENT is entered into as of _____ ____, **2024** ("Effective Date"), between City of Duncanville (hereinafter "City"), located at 203 E. Wheatland, Duncanville, TX 75116, and MRB Group, P.C. (hereinafter "Contractor" or "Professional"), located at 145 Culver Road Suite 160, Rochester, NY 14620, (collectively and interchangeably referred to as the "Parties" or "Party"), is hereby executed for the purpose of amending and supplementing its previous services agreement ("Original Agreement"), which was entered into as of **June 5, 2024**, between the City and the Contractor as stated herein:

The Original Agreement provided for the Contractor's services related to modifying existing infrastructure to enhance drainage near Los Altos Ln., Jellison Blvd. & Roundtop Blvd., and Jungle Dr. The Original Agreement was written with the Contractor's cost not to exceed FORTY-FIVE THOUSAND DOLLARS ($45,000.00) for the project's completion and term (the "Total Contracted and Conditional Contract Amount").

The Original Agreement now requires modifications to provide engineering design for a water main realignment, including partial roadway removal and replacement. Section II Scope of Services and Compensation will be amended to include the additional scope and increase the value of the contract from $45,000.00 to $63,500.00.

Duncanville
City of Champions

NOW THEREFORE, the Parties, in consideration of their mutual promises and covenants, as well as other good and valuable considerations, do hereby AGREE to the following FIRST AMENDMENT, which amends the terms, conditions, and requirements of the Original Agreement to wit:

1.

The provisions of Section II: Scope of Services and Compensation, as stated in the Original Agreement, are hereby amended to allow for a change to the scope.

Section II is hereby amended to add the following to the scope of services:

MRB proposes to design and provide construction plans for the water main realignment along Roundtop Blvd. approximately from the intersection of Jellison Blvd. and Roundtop Blvd. to the west edge of 527 Roundtop Blvd., approximately 500 linear feet. The goal of the realignment is to create space for the construction of a drainage solution. The water main will be realigned under the Roundtop Blvd. pavement. The water main realignment plans will be included with the drainage plans currently being designed, and MRB plans to include the following for this contract amendment:

1. Produce sealed water main realignment plans.
2. Provide water main details as needed for the project.
3. Produce sealed pavement removal and replacement plans.
4. Provide pavement details as needed for the project.

Subtotal..... $18,500.00

2.

The provisions of Section II: Scope of Services and Compensation, as stated in the Original Agreement, are hereby amended to allow for an increase in the contract value.

Section II is hereby amended as follows to revise the total compensation:

Total Compensation $63,500.00

FIRST AMENDMENT TO CITY OF DUNCANVILLE SERVICES AGREEMENT WITH

MRB GROUP, P.C.

1414 LOS ALTOS LN., JELLISON BLVD. & ROUNDTOP BLVD., AND JUNGLE DR. DRAINAGE IMPROVEMENTS
PO NO-2240596

The Parties hereto agree that, except as specifically provided for by the agreed-to changes within this First Amendment, all of the terms, covenants, conditions, agreements, rights, responsibilities, and obligations of the Parties, set forth in both the Original Agreement and now the First Amendment shall be and will remain in full force and effect.

IN WITNESS WHEREOF, the City and the Contractor have each executed this First Amendment by and through their respective duly authorized representatives and officers as indicated below:

CITY OF DUNCANVILLE **(City)**	**MRB GROUP, P.C.** **(Contractor)**
Approved: _____	Approved: Ryan T Colvin (Sep 6, 2024 11:29 EDT)
By: Doug Finch	By: Ryan T Colvin
Title: City Manager	Title: President/CEO
Date: _____	Date: Sep 6, 2024

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a resolution of the City Council of the City of Duncanville, Texas, approving a negotiated settlement between Atmos Energy Corp., Mid-Tex Division regarding the company's 2024 rate review mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attachment establishing for pensions and retiree medical benefits; requiring the company to reimburse ACSC's reasonable rate making expenses; determining that this resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this resolution to the company and the ACSC's legal counsel.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Richard Jackson, Managing Director of Fiscal Services/CFO

BACKGROUND/HISTORY:
The City, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2024, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2023, entitled it to additional system-wide revenues of $196.8 million.

Application of the standards set forth in ACSC's RRM Tariff reduces the Company's request to $182.5 million, $132.6 million of which would be applicable to ACSC members. After reviewing the filing and conducting discovery, ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be $149.6 million instead of the claimed $182.5 million.

After several settlement meetings, the parties have agreed to settle the case for $164.7 million. This is a reduction of $32.1 million to the Company's initial request. This includes payment of ACSC's expenses. The settlement also includes an additional $19.5 million for the securitization regulatory asset expenses related to Winter Storm Uri. This was previously approved by the Texas Legislature and Railroad Commission. The Effective Date for new rates is October 1, 2024. ACSC members should take action approving the Resolution/Ordinance before September 30, 2024.

RATE TARIFFS

Atmos generated rate tariffs attached to the Resolution/Ordinance will generate $164.7 million in additional revenues. Atmos also prepared a Proof of Revenues supporting the settlement figures. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of $5.52 on a monthly basis, or 6.84%. The increase for average commercial usage will be $13.39 or 3.44%. Atmos provided bill impact comparisons containing these figures.

SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on October 1, 2024, ACSC residents will maintain an economic monthly advantage over GRIP and DARR rates.

Comparison to Other Mid-Tex Rates (Residential)

Average Bill	Compared to RRM Cities	
RRM Cities:	$48.19	-
DARR:	$54.30	$6.11
ATM Cities:	$49.59	$1.40
Environs:	$49.53	$1.34

Note: ATM Cities and Environs rates are as-filed. Also note that DARR uses a test year ending in September rather than December.

EXPLANATION OF "BE IT RESOLVED" PARAGRAPHS:

1. This section approves all findings in the Resolution/Ordinance.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that Cities may challenge future costs associated with gas leaks.
4. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional $164.7 million on a system-wide basis.
5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution/Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Resolution/Ordinance.
8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution/Ordinance. This section further directs that the remaining provisions of the Resolution/Ordinance are to be interpreted as if the offending section or clause never existed.
10. This section provides for an effective date upon passage.
11. This section directs that a copy of the signed Resolution/Ordinance be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover $196.8 million in additional system-wide revenues, the RRM settlement at $164.7 million for ACSC members reflects substantial savings to ACSC cities. Settlement at $164.7 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution/Ordinance before September 30, 2024. New rates become effective October 1, 2024.

POLICY EXPLANATION:

What is the role of Cities in ratemaking? Cities have historically exercised original jurisdiction over the level of gas rates charged within their boundaries. Generally, gas distribution utilities have filed rate cases at the City level and have only gone to the Railroad Commission of Texas ("RCT" or "Commission") with an appeal of City action or when they could not reach a settlement with Cities. If a

utility and Cities reach an agreement, the utility may then file a case at the RCT to implement the same rates approved by Cities in areas outside municipal boundaries.

Once a case is at the RCT, the Commission Staff generally expects Cities to intervene and make most of the discovery, cross-examination, briefing, and sponsor opposing witnesses. There is no consumer advocate at the RCT. If Cities do not participate in hearings at the RCT, the request of a regulated utility is likely to be rubber-stamped.

How and why was the Atmos Cities Steering Committee created?

The Atmos pipeline and distribution systems were built, owned, and operated by Lone Star Gas ("LSG"), which maintained over 200 rate jurisdictions until it sold its assets to Texas Utilities ("TXU") in the late 1990s. That meant that many Cities had their unique distribution rates and that individual Cities had to process rate cases at the local level. LSG-Pipeline served all 200-plus distribution systems, and pipeline rates were set by the RCT.

From the early 1980s through the late 1990s, LSG filed no pipeline or system-wide rate cases at the RCT. When LSG was finally brought before the RCT to show cause why its rates should not be reduced, approximately 80 Cities intervened and created an ad hoc group known as the Steering Committee of Cities Served by Lone Star. In Gas Utilities Division ("GUD") docket number 8664, three separate groups of Cities and a number of independent Cities (jointly the "Aligned Cities") participated and coordinated their efforts to oppose the rate increase.

TXU purchased the LSG assets in the late 1990s and immediately commenced consolidating 200-plus ratemaking jurisdictions into regions. As regional cases were filed, Cities within each region created an ad hoc committee to form a common strategy and negotiating position. Once TXU had aggregated the Cities into five or six jurisdictions, each with a different rate, Texas Utilities Gas Company filed a system-wide case to bring all of the old LSG territories under one common rate. The different City regional committees then united and formed the Allied Coalition of Cities ("ACC"). While the gas utility assets were owned and controlled by TXU, the coalition transformed itself from an ad hoc group that came together only in response to rate filings by the utility into a permanent standing coalition.

In Gas Utilities Docket ("GUD") No. 9400 in 2004, TXU's request for a $61.6 million system-wide increase was aggressively opposed by ACC. Cities achieved disallowances of $42.9 million of a regulatory asset and $87.8 million of capitalized gas utility plant. The Company received only a $2.01 million increase. Unhappy with that result, TXU decided that owning a gas system was neither as fun nor as profitable as the deregulated electric system, and they sold the system to Atmos Energy Corporation ("Atmos" or "Company"). ACC was then transformed into the Steering Committee of Cities Served by Atmos and then renamed Atmos Cities Steering Committee to obtain an easy to remember acronym, "ACSC."

What is the Atmos Cities Steering Committee?

ACSC is a coalition of 170 Cities that unite in a common purpose to address gas utility rate and franchise issues related to Atmos Energy Corporation. Its objectives are to: (1) ensure that gas utility rates charged to Cities and their residents are fair and reasonable; (2) maintain reasonable franchise fee revenues for Cities; (3) protect Cities' original jurisdiction over rates and services; (4) be a voice for consumers where no state agency assumes such a role; and (5) promote sound ratemaking policies in the public interest.

Cities join the permanent standing committee by passing a resolution and agreeing to support the work of ACSC through modest occasional per capita assessments that support ongoing administrative and legislative advocacy and all expenses where Cities are not entitled to reimbursement. Each member City designates a representative to ACSC. Member representatives may volunteer to serve on the ACSC Executive Committee. The Executive Committee sets policy, hires legal counsel and consultants, directs litigation, establishes a legislative agenda, sets assessments on members as needed, and meets quarterly with Atmos executives. The Settlement Committee is directly involved in negotiating the Resolution of contested matters with Atmos executives. The list of current members is attached.

What is the benefit of membership in ACSC?

One hundred seventy Cities speaking as one voice is much more effective in advocacy before the Railroad Commission and legislature than any one City or multiple small groups of Cities. The legislature has given gas utilities a right to an annual increase in rates. Resources (both financial and human) of individual Cities are conserved by membership in ACSC. Additionally, membership enhances institutional memory of ratemaking issues, public policy debates, and right-of-way and franchise fee battles.

What has ACSC accomplished?

Going into the 82nd Legislative Session, in December 2010, ACSC released a 48-page report, "Natural Gas Consumers and the Texas Railroad Commission." More than 200 television, newspaper, and radio news sites posted information on, and a link to, the report that may be found on ACSC's website, TexasGasConsumers.org

ACSC has also been instrumental in ongoing Sunset Commission reviews of the RCT. The agency has undergone three Sunset reviews since 2010. In each case, ACSC has maintained a watchful eye on the process to ensure that provisions that could harm the interest of gas utility ratepayers are excluded from the legislation. ACSC representatives also visited on several occasions with the Sunset Commission Staff, and
several ACSC recommendations for reform were included in Sunset Commission Reports on the agency. Several ACSC member representatives testified before the Sunset Commission Reports on the agency. Several ACSC member representatives testified before the
legislature regarding the Sunset review of the Railroad Commission.

During the 2011 legislative session, lobbying efforts by ACSC were critical in killing two gas utility bills that would have undermined traditional regulation, deprived Cities of certain rights, and led to even greater rate increases.

ACSC has also resolved a major issue involving franchise fees. In 2010, Atmos unilaterally, without notice, ceased inclusion of franchise fees in the calculations of gross receipts regardless of whether specific franchises included such payments. Several Cities were willing to pursue the matter through litigation. However, counsel for ACSC was able to negotiate a resolution that allowed each member City to determine whether it desired an increase in franchise fee payments based on the inclusion of franchise fees in calculating gross receipts. If a City opted for the inclusion of fee-on-fee revenues, it had the further option of retroactive payments back to the point when Atmos decided to curtail fee-on-fee payments. Each member had these options regardless of the wording of the then-valid franchise agreement. This Resolution spared significant litigation costs and anxiety and was only possible because of the clout of the ACSC membership.

One of the most significant accomplishments of ACSC occurred in 2007 via a settlement of the then-pending, system-wide rate case. Approximately 50 ACSC City representatives showed up in Arlington

for a meeting with Atmos executives who were shocked at the vocal opposition to Atmos' practices, the unfairness of annual Gas Reliability Infrastructure Program ("GRIP") rate filings that precluded City and
citizen review, and the Company's lack of coordination with Cities. That meeting led to the creation of the Rate Review Mechanism ("RRM") process and improved ongoing communications between the Company and ACSC.

In 2010, these improved communications between ACSC and the Company led to a workable solution to the need to replace steel service lines in a manner that accommodated Cities' needs to control their rights-of-way while moderating the rate impact and focusing first on the riskiest service lines based on leak repair histories. This compromise precluded a more onerous (from a City and consumer perspective) program threatened by the RCT.

What is an RRM case?
The concept of an RRM proceeding emerged as a three-year experimental substitute for GRIP cases as part of the settlement of Atmos Mid-Tex's 2007 system-wide rate case. In 2003, the Texas Legislature added Section 104.301, Interim Adjustment for Changes in Investment, to the Gas Utility Regulatory Act. While not identified as such in the law, § 104.301 was referred to as the Gas Reliability Infrastructure Program or GRIP. The GRIP adjustments allowed gas companies to recover changes to invested capital without reviewing whether increased revenues or declining expenses offset the invested capital costs. Both Atmos Pipeline and Atmos Mid-Tex filed GRIP cases as soon as the RCT adopted rules to implement the interim adjustments. As explained below, it quickly became apparent that the GRIP adjustments were terrible public policy.

As an alternative to GRIP, ACSC entered into a negotiated agreement with Atmos in 2007 to establish the RRM process. Unlike GRIP, the RRM provided an annual review of all portions of Mid-Tex's cost of service. It fixed an authorized rate of return on equity for the three-year period at 9.6% (which was less than what the RCT would have authorized) and set caps on the extent to which expenses or investments could increase from one year to the next. More importantly, it allowed Cities to make a comprehensive evaluation of all aspects of the utility's business-investment, operation and maintenance expenses, and revenues—unlike GRIP that only allows consideration of changes to invested capital.

RECOMMENDATION:
Staff recommends approval of a Resolution approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2024 rate review mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the Company to reimburse ACSC's reasonable ratemaking expenses; determining that this Resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this Resolution to the Company and the ACSC's legal counsel.

FUNDING SOURCE:

ORG and Object Number
001-501302/General Fund - Franchise Fee Gas

Available Budget	Purchase Amount	After Encumber
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:

1. Approved the resolution to accept the forthcoming settlement.
2. Do not approve the resolution to accept the forthcoming settlement.
3. Other actions as directed by Council.

ATTACHMENTS:

Resolution No. - 2024-326 - Atmos Mid-Tex 2024 RRM Settlement - Pdf
Attachment 1 -CY23 MTX RRM - Tariffs
Attachment 2 - CY23 MTX RRM - Pension Benchmark
Attachment 3 - CY23 MTX RRM - Average Bill

RESOLUTION NO. 2024-326

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2024 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Duncanville, Texas ("City") is a gas utility customer of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), and a regulatory authority with an interest in the rates, charges, and services of Atmos Mid-Tex; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee ("ACSC"), a coalition of similarly-situated cities served by Atmos Mid-Tex ("ACSC Cities") that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program ("GRIP") process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2024, Atmos Mid-Tex filed its 2024 RRM rate request with ACSC Cities based on a test year ending December 31, 2023; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2024 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of $142 million on a system-wide basis with an Effective Date of October 1, 2024; and

WHEREAS, ACSC agrees that Atmos' plant-in-service is reasonable; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. That the findings set forth in this Resolution are hereby in all things approved

SECTION 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of $164.7 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2024 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

SECTION 3. That despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

SECTION 4. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional $164.7 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION 5. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment 2, attached hereto and incorporated herein.

SECTION 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2024 RRM filing.

SECTION 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.

SECTION 8. That the meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION 9. That if any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

SECTION 10. That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2024.

SECTION 11. That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**R – RESIDENTIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 22.95 per month
Rider CEE Surcharge	$ 0.05 per month[1]
Total Customer Charge	$ 23.00 per month
Commodity Charge – All Ccf	$0.58974 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

[1]Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 81.75 per month
Rider CEE Surcharge	$ 0.00 per month[1]
Total Customer Charge	$ 81.75 per month
Commodity Charge – All Ccf	$ 0.19033 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Presumption of Plant Protection Level
For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

[1] Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 200 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.6553 per MMBtu
Next 3,500 MMBtu	$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.1029 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

Presumption of Plant Protection Level
For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.6553 per MMBtu
Next 3,500 MMBtu	$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.1029 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees
All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees
Customer shall pay Company the greater of (i) $0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement
A transportation agreement is required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

Bl_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

$WNA_i = WNAF_i \times q_{ij}$

Where q_{ij} is the relevant sales quantity for the jth customer in ith rate schedule.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Base Use/Heat Use Factors

	Residential		Commercial	
Weather Station	Base use Ccf	Heat use Ccf/HDD	Base use Ccf	Heat use Ccf/HDD
Abilene	9.52	0.1526	88.98	0.7485
Austin	8.87	0.1343	213.30	0.9142
Dallas	12.38	0.2024	185.59	1.0974
Waco	8.71	0.1219	130.62	0.7190
Wichita Falls	10.20	0.1394	117.78	0.6435

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2023

		Shared Services		Mid-Tex Direct			
Line No.	Description	Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Post-Employment Benefit Plan	Supplemental Executive Benefit Plan	Adjustment Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark - Fiscal Year 2024 Willis Towers Watson Report as adjusted	$ 1,402,365	$ (1,146,665)	$ 2,186,549	$ (4,070,086)	$ 278,107	
2	Allocation Factor	45.93%	45.93%	82.00%	82.00%	100.00%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	$ 644,172	$ (526,717)	$ 1,792,929	$ (3,337,394)	$ 278,107	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4)	$ 644,172	$ (526,717)	$ 1,792,929	$ (3,337,394)	$ 278,107	$ (1,148,903)
6							
7	O&M Expense Factor (WP_F-2.3, Ln 2)	81.70%	81.70%	38.85%	38.85%	11.24%	
8							
9	Summary of Costs to Approve:						
10	Total Pension Account Plan	$ 526,315		$ 696,536			$ 1,222,851
11	Total Post-Employment Benefit Plan		$ (430,349)		$ (1,296,547)		(1,726,896)
12	Total Supplemental Executive Benefit Plan					$ 31,256	31,256
13	Total (Ln 10 + Ln 11 + Ln 12)	$ 526,315	$ (430,349)	$ 696,536	$ (1,296,547)	$ 31,256	$ (472,789)

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**R – RESIDENTIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 22.95 per month
Rider CEE Surcharge	$ 0.05 per month[1]
Total Customer Charge	$ 23.00 per month
Commodity Charge – All Ccf	$0.58974 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

[1]Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**C – COMMERCIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	$ 81.75 per month
Rider CEE Surcharge	$ 0.00 per month[1]
Total Customer Charge	$ 81.75 per month
Commodity Charge – All Ccf	$ 0.19033 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Presumption of Plant Protection Level
For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

[1] Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 200 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.6553 per MMBtu
Next 3,500 MMBtu	$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.1029 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**I – INDUSTRIAL SALES**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Agreement
An Agreement for Gas Service may be required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

Presumption of Plant Protection Level
For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Application
Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service
Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate
Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	$ 0.6553 per MMBtu
Next 3,500 MMBtu	$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	$ 0.1029 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees
All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees
Customer shall pay Company the greater of (i) $0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RATE SCHEDULE:	**T – TRANSPORTATION**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Curtailment Overpull Fee
Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index
In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement
A transportation agreement is required.

Notice
Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions
In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

Bl_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the jth customer in ith rate schedule is computed as:

$WNA_i = WNAF_i \times q_{ij}$

Where q_{ij} is the relevant sales quantity for the jth customer in ith rate schedule.

Attachment 1

MID-TEX DIVISION
ATMOS ENERGY CORPORATION

RIDER:	**WNA – WEATHER NORMALIZATION ADJUSTMENT**	
APPLICABLE TO:	**ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF**	
EFFECTIVE DATE:	**Bills Rendered on or after 10/01/2024**	

Base Use/Heat Use Factors

	Residential		Commercial	
Weather Station	Base use Ccf	Heat use Ccf/HDD	Base use Ccf	Heat use Ccf/HDD
Abilene	9.52	0.1526	88.98	0.7485
Austin	8.87	0.1343	213.30	0.9142
Dallas	12.38	0.2024	185.59	1.0974
Waco	8.71	0.1219	130.62	0.7190
Wichita Falls	10.20	0.1394	117.78	0.6435

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2023

		Shared Services		Mid-Tex Direct			
Line No.	Description	Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Post-Employment Benefit Plan	Supplemental Executive Benefit Plan	Adjustment Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark - Fiscal Year 2024 Willis Towers Watson Report as adjusted	$ 1,402,365	$ (1,146,665)	$ 2,186,549	$ (4,070,086)	$ 278,107	
2	Allocation Factor	45.93%	45.93%	82.00%	82.00%	100.00%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	$ 644,172	$ (526,717)	$ 1,792,929	$ (3,337,394)	$ 278,107	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4)	$ 644,172	$ (526,717)	$ 1,792,929	$ (3,337,394)	$ 278,107	$ (1,148,903)
6							
7	O&M Expense Factor (WP_F-2.3, Ln 2)	81.70%	81.70%	38.85%	38.85%	11.24%	
8							
9	Summary of Costs to Approve:						
10	Total Pension Account Plan	$ 526,315		$ 696,536			$ 1,222,851
11	Total Post-Employment Benefit Plan		$ (430,349)		$ (1,296,547)		(1,726,896)
12	Total Supplemental Executive Benefit Plan					$ 31,256	31,256
13	Total (Ln 10 + Ln 11 + Ln 12)	$ 526,315	$ (430,349)	$ 696,536	$ (1,296,547)	$ 31,256	$ (472,789)

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
1	**Rate R @ 42.8 Ccf**										
2	Customer charge							$ 22.25			
3	Consumption charge	42.8	CCF	X	$	0.48567	=	20.79			
4	Rider GCR Part A	42.8	CCF	X	$	0.27958	=	11.97			
5	Rider GCR Part B	42.8	CCF	X	$	0.47494	=	20.33			
6	Subtotal							$ 75.34			
7	Rider FF & Rider TAX		$ 75.34	X		0.07196	=	5.42			
8	Total							$ 80.76			
9											
10	Customer charge								$ 22.95		
11	Consumption charge	42.8	CCF	X	$	0.58974	=		25.24		
12	Rider GCR Part A	42.8	CCF	X	$	0.27958	=		11.97		
13	Rider GCR Part B	42.8	CCF	X	$	0.47494	=		20.33		
14	Subtotal								$ 80.49		
15	Rider FF & Rider TAX		$ 80.49	X		0.07196	=		5.79		
16	Total								$ 86.28	$ 5.52	6.84%
17											

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
18	**Rate C @ 363.6 Ccf**										
19	Customer charge							$ 72.00			
20	Consumption charge	363.6	CCF	X	$	0.18280	=	66.47			
21	Rider GCR Part A	363.6	CCF	X	$	0.27958	=	101.67			
22	Rider GCR Part B	363.6	CCF	X	$	0.33806	=	122.93			
23	Subtotal							$ 363.07			
24	Rider FF & Rider TAX	$ 363.07		X		0.07196	=	26.13			
25	Total							$ 389.20			
26											
27	Customer charge								$ 81.75		
28	Consumption charge	363.6	CCF	X	$	0.19033	=		69.21		
29	Rider GCR Part A	363.6	CCF	X	$	0.27958	=		101.67		
30	Rider GCR Part B	363.6	CCF	X	$	0.33806	=		122.93		
31	Subtotal								$ 375.56		
32	Rider FF & Rider TAX	$ 375.56		X		0.07196	=		27.03		
33	Total								$ 402.59	$ 13.39	3.44%
34											

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
35	**Rate I @ 1335 MMBTU**										
36	Customer charge							$ 1,382.00			
37	Consumption charge	1,335	MMBTU	X	$	0.7484	=	998.94			
38	Consumption charge	0	MMBTU	X	$	0.5963	=	-			
39	Consumption charge	0	MMBTU	X	$	0.2693	=	-			
40	Rider GCR Part A	1,335	MMBTU	X	$	2.7303	=	3,644.33			
41	Rider GCR Part B	1,335	MMBTU	X	$	0.7337	=	979.37			
42	Subtotal							$ 7,004.64			
43	Rider FF & Rider TAX		$ 7,004.64	X		0.07196	=	504.08			
44	Total							$ 7,508.72			
45											
46	Customer charge								$ 1,587.75		
47	Consumption charge	1,335	MMBTU	X	$	0.6553	=		874.67		
48	Consumption charge	0	MMBTU	X	$	0.4799	=		-		
49	Consumption charge	0	MMBTU	X	$	0.1029	=		-		
50	Rider GCR Part A	1,335	MMBTU	X	$	2.7303	=		3,644.33		
51	Rider GCR Part B	1,335	MMBTU	X	$	0.7337	=		979.37		
52	Subtotal								$ 7,086.12		
53	Rider FF & Rider TAX		$ 7,086.12	X		0.07196	=		509.94		
54	Total								$ 7,596.06	$ 87.34	1.16%
55											

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description							Current	Proposed	Change Amount	Change Percent
	(a)							(b)	(c)	(d)	(e)
56	**Rate T @ 4645 MMBTU**										
57	Customer charge							$ 1,382.00			
58	Consumption charge	1,500	MMBTU	X	$	0.5684	=	852.60			
59	Consumption charge	3,145	MMBTU	X	$	0.4163	=	1,309.08			
60	Consumption charge	0	MMBTU	X	$	0.0893	=	-			
61	Rider GCR Part B	4,645	MMBTU	X	$	0.7337	=	3,407.90			
62	Subtotal							$ 6,951.58			
63	Rider FF & Rider TAX		$ 6,951.58	X		0.07196	=	500.26			
64	Total							$ 7,451.84			
65											
66	Customer charge								$ 1,587.75		
67	Consumption charge	1,500	MMBTU	X	$	0.6553	=		982.95		
68	Consumption charge	3,145	MMBTU	X	$	0.4799	=		1,509.08		
69	Consumption charge	0	MMBTU	X	$	0.1029	=		-		
70	Rider GCR Part B	4,645	MMBTU	X	$	0.7337	=		3,407.90		
71	Subtotal								$ 7,487.68		
72	Rider FF & Rider TAX		$ 7,487.68	X		0.07196	=		538.84		
73	Total								$ 8,026.52	$ 574.68	7.71%

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a Resolution for approving and adopting an updated Fund Balance Policy for the City of Duncanville

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Richard Jackson, CFO

BACKGROUND/HISTORY:
As a follow-up and continuance of the discussion on implementing an updated fund balance policy in a briefing to City Council on 9/3/2024, I am respectfully requesting this Council approve and adopt the Fund Balance Policy. As previously indicated, the Fund Balance policy was last reviewed and approved by the City Council per Resolution # 2011-092005 on September 20, 2011.

POLICY EXPLANATION:
The revised policy provides the following:
1. A purpose of why the policy is in effect
2. A policy statement that declares how the policy will be governed -- including a minimum and maximum fund balance target for the General Fund and Proprietary Funds
3. A listing of all City funds and what they are used for
4. Definitions of the fund balance designations as presented on the Annual Comprehensive Financial Report (ACFR)

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:

1. Approved the resolution to accept the forthcoming settlement.
2. Do not approve the resolution to accept the forthcoming settlement.
3. Other actions as directed by Council.

ATTACHMENTS:

Resolution No. - 2024-328 - City of Duncanville Fund Balance Policy - Pdf

RESOLUTION NO. 2024-328

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, APPROVING AND ADOPTING THE CITY OF DUNCANVILLE FUND BALANCE POLICY; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Duncanville has reviewed its need to have a Fund Balance Policy in effect; and

WHEREAS, as a result of such review, the City has determined that best practices and sound fiscal management requires having safeguards in place regarding the management of all municipal funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. That the Fund Balance Policy for the City of Duncanville attached hereto as Exhibit A, is hereby approved and adopted.

SECTION 2. That all provisions of the Resolutions of the City of Duncanville, Texas, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this Resolution shall remain in full force and effect.

SECTION 3. That should any word, sentence, paragraph, subdivision, clause, phrase or section of this Resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said Resolution which shall remain in full force and effect.

SECTION 4. That this Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

EXHBIT A

CITY OF DUNCANVILLE
FUND BALANCE POLICY

A. PURPOSE

The purpose of this policy is to establish a key element of the financial stability of the City by setting guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to ensure we are best positioned to address unforeseen revenue fluctuations, and unanticipated expenditures. Fund balance also provides cash flow liquidity for the City's general operations.

B. POLICY STATEMENT

The finances of the City of Duncanville will be managed to maintain balances of the various funds at levels sufficient to mitigate current and future risks, ensure stable tax rate and user fees, and protect the City's creditworthiness. To assure the appropriate level in all funds, the City will maintain goals for Unassigned Fund Balance(s) in the General Fund and Proprietary Funds as follows:

Unassigned fund balance goal of not less than 25% (approximately 90 days of operation); and no more than 41% (approximately 150 days of operation) of the average annual budget appropriations. Any transfer of funds from unassigned fund balance will require prior authorization from City Council.

C. FUNDS AND USES

GENERAL FUND

Inventories, prepaid items or other assets that are not expected to be converted to cash shall be classified as nonspendable. The long-term amount of loans and notes receivable, as well as property acquired for resale shall also be classified as nonspendable. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council shall be classified as committed. Amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed shall be classified as assigned. Unassigned shall be used for everything else.

OTHER GOVERNMENTAL FUNDS

Debt Service

This fund accounts for ad valorem taxes used to service debt. Fund balance shall be classified as restricted due to requirements in bond indentures.

EXHIBIT A

Street Construction Fund

This fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays of streets. All fund balance generated from proceeds from bonds or grants shall be classified as restricted if the revenue was statutorily restricted by an external party. All other fund balance shall be classified as committed if the revenue was constrained by formal City Council action. All other fund balance shall be classified as assigned.

Hotel Motel Tax

This fund accounts for the revenue received from local hotel occupancy taxes. All fund balance derived from this activity shall be classified as restricted and be used for the sole purpose as described in chapter 351 of the State of Texas Tax Code.

Drainage Fees

This fund accounts for revenue received from drainage fees used to fund major storm water drainage improvement projects throughout the City as required by City of Duncanville Ordinance No.1511. All fund balance received from these fees shall be classified as committed.

Grants

This fund accounts for the revenue received from Federal and State grants. All fund balance derived from this activity shall be classified as restricted and be used for the sole purpose as described in the grant agreement(s).

Court Technology

This fund accounts for the revenue received from court fees earmarked for court technology advancements. All fund balance derived from this revenue shall be classified as restricted and be used for the sole purpose as described in chapter 102 of the Texas Code of Criminal procedure.

Court Security

This fund accounts for the revenue received from court fees earmarked for court security. All fund balance derived from this revenue shall be classified as restricted and be used for the sole purpose as described in chapter 102 of the Texas Code of Criminal procedure.

Juvenile Case Manager

This fund accounts for the revenue received from court fees earmarked for a juvenile case manager. All fund balance derived from this revenue shall be classified as restricted and be used for the sole purpose as described in chapter 102 of the Texas Code of Criminal procedure.

EXHIBIT A

Asset Forfeiture

This fund accounts for the revenue received from forfeiture of contraband. All fund balance derived from this revenue shall be classified as restricted and be used for the sole purpose as described in chapter 59 of the Texas Code of Criminal procedure and the Federal Equitable Sharing Agreement.

Park Construction

This fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays of parks and recreational facilities. All fund balance generated from proceeds from bonds or grants shall be classified as restricted if the revenue was statutorily restricted by an external party. All fund balance generated from the bond or grant proceeds shall be classified as committed if the revenue was constrained by formal resolution by the City Council. All other fund balance shall be classified as assigned.

Capital Improvements

This fund accounts for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays of various one-time capital improvements. All fund balance generated from proceeds from bonds or grants shall be classified as restricted if the revenue was statutorily restricted by an external party. All fund balance generated from the bond or grant proceeds shall be classified as committed if the revenue was constrained by formal resolution by the City Council. All other fund balance shall be classified as assigned.

Duncanville Community Economic Development Corporation

This fund accounts for and reports financial resources that are restricted or assigned to expenditure for economic development. All fund balance generated from sales and use tax proceeds shall be classified as restricted and be used for the purposes indicated in the Development Corporation Act of 1979 found in chapters 501-505 of the Local Government Code. All other fund balance shall be classified as assigned.

PROPRIETARY FUNDS

Proprietary funds, also known as Enterprise Funds, include Utility, Sanitation, and the Fieldhouse Funds. All fund balances derived within each of these funds shall be classified as unrestricted but are to be used for the needs and operations of each activity, as appropriated.

RESTORATION OF FUND BALANCE RANGE

Should the Fund balance for any fund exist outside the target range, the Chief Fiscal Officer and/or the City Manager will advise the City Council. Working with the City Council, the Chief Fiscal Officer and/or the City Manager will prepare a plan for restoration of the balance to the target levels and achieve the target level as soon as practicable within the next fiscal year. The City Council may consider appropriations of Unrestricted Fund Balance to Reserve Funds at any time to assist with restoring balances to the proper range.

EXHBIT A

REPORTING OF FUND BALANCE TO THE CITY COUNCIL

The Chief Fiscal Service Officer and/or the City Manager shall report to the City Council monthly on the status of all funds. The monthly fund balance report shall include the estimated fund balance for the fund, along with the minimum and maximum amounts allowable per the fund balance policy.

D. DEFINITIONS

Cash Balance: The sum of cash and the investment of an accounting fund.

Fund Balance: The difference between the assets and liabilities reported in a governmental fund. Fund balance is not the cash balance of the City, the fund balance consists of other assets such as money due from the state and federal government, taxes receivable, and accounts receivable. Fund Balances are classified into various components depending on the limitations placed on the use of the funds. The hierarchy indicates the extent to which a government is bound to observe spending constraints that govern how it can use amounts reported in the governmental funds balance sheet.

For proprietary funds, such as the Utility Fund, Sanitation, and the Fieldhouse Fund, the Fund Balance is the working capital, current assets minus current liabilities.

Fund Balance Designations:

- **Nonspendable Fund Balance** includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale. However, if the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned then they shall be included in the appropriate fund balance classification (restricted, committed, or assigned), rather than nonspendable fund balance.

- **Restricted Fund Balance** includes amounts where constraints placed on the use of resources are either:
    - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
    - Imposed by law through constitutional provisions or enabling legislation

- **Committed Fund Balance** includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. Amounts classified as committed may be redeployed for other purposes with appropriate due process.

EXHBIT A

- **Assigned Fund Balance** includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. Intent shall be expressed by (a) the City Council itself (b) a body (budget or finance committee for example or (c) an official to which the City Council has delegated the authority to assign amounts to be used for specific purposes such as the Mayor, City Manager, or the Chief Fiscal Services Officer.

- **Unassigned Fund Balance** is the residual classification for the general fund and includes all amounts not contained in the other classifications (i.e., surplus). Unassigned amounts are technically available for any purpose.

APPROVED BY CITY COUNCIL:

September 20, 2011, by Resolution 2011-092005

REVISED:

September 17, 2024

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a Resolution authorizing an Interlocal Cooperation Agreement with the North Central Texas Council of Governments for orthophotography, lidar, and derivative data services with renewal option for four additional one-year terms, in an estimated contract amount not to exceed $104,990.00, subject to City Council appropriation.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Develop: Infrastructure Improvement Strategy**
  - **Ensure the viability and adaptability of the city's infrastructure, facilities, and transportation network through thoughtful financial and long-term planning.**

STAFF RESPONSIBLE:
Matt Bryant, Director of Public Works
Shahad Mohammed, Assistant Director of Public Works

BACKGROUND/HISTORY:
The North Central Texas Council of Governments (NCTOG) offers spatial data at a reduced cost to local governments and other entities. This data can include high-resolution orthophotography, elevation data (LiDAR), and more. Every year, NCTOG works with local entities to evaluate the need for spatial data. Based on the feedback, NCTOG and the participants prepare the project area and deliverables. The resulting imagery can be utilized for geographical information systems (GIS) or computer-aided design (CAD) mapping.

The City of Duncanville has been purchasing orthophotography through the NCTOG program every one to two years since the program's inception in 2001.

POLICY EXPLANATION:
The Interlocal Agreement with NCTCOG, not to exceed $104,990.00, is requested to be approved by the City Council. Project expenditures are incurred annually or biennially, depending on the city's needs. The budget appropriates funds to purchase different spatial data types, including aerial photography, 2D planimetrics, and others, as needed.

The budgeted expenditures per fiscal year are $19,000.00 for fiscal year 2024-2025 and $85,990.00 spread over fiscal years 2026-2029, subject to future appropriations as outlined below. This

authorization should cover all needs for spatial data from the NCTCOG for the next five years. FYs 2026-2027 through 2029-2030 include an approximate 5% increase over the previous year to accommodate any price escalations that may arise throughout each contract's life.

FY2024-2025: $19,000.00
FY2025-2026: $19,950.00
FY2026-2027: $20,948.00
FY2027-2028: $21,996.00
FY2028-2029: $23,096.00

FUNDING SOURCE:

ORG and Object Number
02311000-708103 (Utilities Administration/Professional Fees)

Available Budget	**Purchase Amount**	**After Encumber**
$64,000 (FY25 Budget)	$19,000	$45,000

ACTION ALTERNATIVES:

1. Approve.
2. Disapprove.
3. Other actions as directed by Council.

ATTACHMENTS:
Resolution No. - 2024-316 - Spatial Data Interlocal Agreement with Exhibit

RESOLUTION NO. 2024-316

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, AUTHORIZING AN INTERLOCAL COOPERATION AGREEMENT WITH THE NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS FOR ORTHOPHOTOGRAPHY, LIDAR, AND DERIVATIVE DATA SERVICES WITH RENEWAL OPTION FOR FOUR ADDITIONAL ONE-YEAR TERMS, IN AN ESTIMATED CONTRACT AMOUNT NOT TO EXCEED $104,990.00, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT 'A'; AND, SUBJECT TO CITY COUNCIL APPROPRIATION, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE NECESSARY DOCUMENTS RELATED TO SAID EXPENDITURES; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the North Central Texas Council of Governments (NCTCOG) is a voluntary association of, by and for local governments and has an interest in providing information to its members to support planning, engineering, public safety, and municipal management activities; and

WHEREAS, the City of Duncanville wishes to have its map-based information system include the 2024 digital orthophotography and/or LiDAR and/or derivative data and has determined that the creation of this resource provides information for a multitude of uses throughout the City and thus serves a valid public purpose; and

WHEREAS, The City of Duncanville requires this information to accomplish this purpose and has determined that NCTCOG can provide it.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council of the City of Duncanville authorizes an Interlocal Cooperation Agreement with the North Central Texas Council of Governments for orthophotography, lidar, and derivative data services with renewal option for four additional one-year terms, in an estimated contract amount not to exceed $104,990.00, which is attached hereto and incorporated herein as Exhibit 'A'; and, subject to City Council appropriation, and authorizes the City Manager to execute the necessary documents related to said expenditures.

SECTION 2. This Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____
Greg Contreras, Mayor

ATTEST:

_____
Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____
Robert E. Hager, City Attorney

North Central Texas Council of Governments

INTERLOCAL AGREEMENT BETWEEN
THE NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS AND
CITY OF DUNCANVILLE

WHEREAS, the North Central Texas Council of Governments (NCTCOG) is a voluntary association of, by and for local governments and has an interest in providing information to its members to support planning, engineering, public safety, and municipal management activities; and,

WHEREAS, the City of Duncanville (Entity), wishes to have its map-based information system include the 2024 digital orthophotography and/or LiDAR and/or derivative data and has determined that the creation of this resource provides information for a multitude of uses throughout the Entity and thus serves a valid public purpose; and,

WHEREAS, the Entity requires this information to accomplish this purpose and has determined that NCTCOG can provide this information; and,

WHEREAS, this Agreement is authorized by Chapter 791 of the Texas Government Code; and,

WHEREAS, NCTCOG and Entity are local governments as that term is defined in Section 791.003(4) of the Texas Government Code; and,

WHEREAS, Section 791.025 of the Texas Government Code authorizes local governments to agree with another local government to purchase goods and services; and,

WHEREAS, a local government that purchases goods and services under Section 791.025 of the Texas Government Code satisfies the requirement of the local government to seek competitive bids for the purchase of goods and services; and,

WHEREAS, NCTCOG and Entity, acting by and through their respective governing bodies, adopt the foregoing premises as findings of said governing bodies.

NOW, THEREFORE, the parties, Entity and NCTCOG, agree to the following terms and conditions regarding the creation of digital orthophotography and/or LiDAR and/or derivative data.

I. LICENSE AGREEMENT

The personnel specified in Appendix A will serve as points of contact for their respective organizations. The following provisions are a license agreement between NCTCOG and the Entity with respect to data products that are identified in section II. NCTCOG is the owner of and has the right to grant a license to use the said data products free of all liens, claims, encumbrances, and other restrictions and without otherwise violating any rights of any third party, including any patent, copyright, trade secret, or other proprietary rights.

The NCTCOG data product may be distributed to the Entity on CD-ROM, DVD, or portable hard drive. The Entity will need to install and operate the NCTCOG data product on properly configured and compatible computer equipment running third party system and application software supplied by the Entity. The Entity will also need to ensure that any required data not supplied by NCTCOG is in proper format and no other software or equipment having an adverse impact on the NCTCOG product is present.

A. Licensed Operating Environment

(1) Operating Equipment. In exchange for monetary consideration listed in section II, the Entity will be granted an exclusive operation license to install, store, load, execute, and display (collectively, "Use") the NCTCOG data product on as many local area networks and/or end-user workstations as the Entity reasonably needs in support of its own operation (the "Licensed Operating Environment"). Any software components of the NCTCOG data product are provided in machine-readable executable format only.

(2) Authorized Users. Unless otherwise agreed in writing, the NCTCOG data product will be used by Entity officials, officers, employees, and authorized contractors only ("Authorized Users"). A contractor shall be deemed authorized to Use the data products by the Entity or NCTCOG if such Use is incidental to a larger relationship between the contractor and the Entity, and is used for purposes no greater than reasonably needed to achieve the objectives of an actual project undertaken in connection with that relationship. The contractor must agree in writing to be bound by the provisions of this Agreement.

B. Permitted Uses

(1) Use of NCTCOG Products. The Entity's Authorized Users may Use the NCTCOG data product in the Licensed Operating Environment for any use that furthers the Entity's internal operations or in furtherance of the Entity's mission.

(2) Use of Generated Output or Other Data. Except as stated, the Entity will own all original works of authorship it may independently create. Digital output from the Entity's Use of the NCTCOG Data Product may be resized as desired and printed on black and white, color printers, or map plotters. Such printed hardcopies may be distributed to the Entity's officers, employees, citizens, contractors, or other persons in the regular course of business for their internal use or in connection with an actual transaction. Such printed output may be further copied, photographed, or reproduced digitally on the Internet. The Entity may charge a fee for such hardcopy printouts that exceed the actual direct cost of production. Without the prior written consent of NCTCOG, the Entity may not otherwise provide copied, digitized, reproduced, transmitted or disseminated, in whole or in part, any of the original digital data product in any form.

II. OBLIGATIONS

NCTCOG agrees to provide the Product(s) listed below for Entity's use consistent with the terms herein. Upon delivery of the Product(s), NCTCOG shall invoice Entity in the amount(s) provided and Entity agrees to pay NCTCOG.

Remote Sensing Product	Amount
3" Orthophotography	3,636.00
6" Orthophotography	0.00
Oblique Photography:	0.00
LiDAR ☐ 0.5M ☐ Single Photon ☐ Geiger-Mode	0.00
Total	**3,636.00**

Aerial & LiDAR Derivative Product	Amount
1' Contours (LiDAR-derived)	0.00
2' Contours (LiDAR-derived)	0.00
1' Contours (LiDAR-derived, engineering grade)	0.00
2' Contours (LiDAR-derived, engineering grade)	0.00
3D Planimetrics	0.00
Change Detection Mapping	0.00
Impervious Surface	0.00
Landcover	
Landcover/Landuse	
Solar Mapping Potential	0.00
Total	**$0.00**

Aerial Derivative Product - 2D Planimetrics	Amount
Discounted Bundle A – Building footprints, road edges, parking lots, bridges & sidewalk centerlines	0.00
Discounted Bundle B – Building footprints, road edges, parking lots, bridges & sidewalk edges	0.00
Building footprints	0.00
Bridges	0.00
Driveways	0.00
Fences	0.00
Lake edges	0.00
Parking lots	0.00
Pavement pads	0.00
Paved road centerlines	0.00
Paved road edges	0.00
Stream centerline	0.00
Stream edges	0.00

Swimming pools	0.00
Sidewalk centerlines	0.00
Sidewalk edges	0.00
Tree canopy	0.00
Unpaved road edges	0.00
Total	**$0.00**

SDCP 2024 Project Total	**$3,636.00**

You have agreed to the payment terms listed below and have secured the total amount with purchase order (PO) number 9999 (Please enter a PO number if blank. If you have not yet secured a PO, please enter 9999).

Invoice Date

☐ **Fiscal Year** or ☑ **After Delivery**

Payment Years

FY 2024

If your payment is spread across two fiscal years you will be invoiced 50% of the total amount each year. Upon receipt of the first invoice, the Entity has thirty (30) days to review the products and pay said invoice or the remaining amount owed to the North Central Texas Council of Governments (NCTCOG).

III. TERMINATION

The parties agree that the Entity may terminate this Agreement by providing thirty (30) days' written notice to NCTCOG. Such notice shall be given to NCTCOG at the address set forth under its signature below. In the event of such termination, NCTCOG shall reimburse to the Entity pro-ratable portion of the contracted amount for services rendered. The Entity shall reimburse NCTCOG for staff time billed to the project up to termination at a rate of $95.00/hour. Reimbursed amount shall not exceed the total project amount in Section II.

IV. MISCELLANEOUS

Entirety of Agreement The terms and provisions of this Agreement constitute the entire agreement of the undersigned parties and in the event of a conflict between this Agreement and any attachment thereto, the terms of this Agreement shall prevail.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Texas and venue shall lie exclusively in Tarrant County, Texas. In performing its obligations hereunder, each party shall operate and perform in accordance with all applicable state and federal laws.

Severability. In the event that one or more provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability of the Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein, and shall not affect the remaining provision of this Agreement, which shall remain in force and effect.

Assignment. No party to this Agreement may assign or otherwise transfer any of its interest in this Agreement without the express written consent of the other party.

Immunity. It is expressly understood and agreed that in the execution of this Agreement, that the parties, either individually or jointly, do not waive, nor shall they be deemed to waive, any immunity or defense that would otherwise be available to each against claims arising in the exercise of its powers or functions.

Non-appropriation of Funds. Each party paying for the performance of governmental functions in this Agreement must make those payments from current revenues available to the paying party. In the event no funds or insufficient funds are appropriated by the Entity in any fiscal period for any payments due hereunder, Entity will notify NCTCOG of such occurrence and this Agreement shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to the Entity of any kind whatsoever, except as to the portions of the payments herein agreed upon for which funds shall have been appropriated.

Force Majeure. The Entity and NCTCOG shall exercise their best efforts to meet their respective duties and obligations as set forth in this Agreement, but shall not be held liable for any delay or omission in performance due to force majeure or other causes beyond their reasonable control. (force majeure), including, but not limited to, compliance with any government law, ordinance or regulation, acts of God, acts of the public enemy, fires, strikes, lockouts, natural disasters, wars, riots, material or labor restrictions by any governmental authority, transportation problems and/or any other similar causes.

Certification. The undersigned are properly authorized to execute this Agreement on behalf of the parties. and each party certifies to the other that any necessary resolutions extending such authority have been fully passed and are now in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

_____

Mike Eastland Date
Executive Director
616 Six Flags Drive
Arlington, Texas 76011

CITY OF DUNCANVILLE

_____

Signature Date

Name:_____

Title:_____

Street Address:_____

City, State, Zip:_____

APPROVED AS TO FORM:

_____

APPENDIX A

NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

	MAIN CONTACT		ADDITIONAL CONTACT	
Name:	Shelley Broyles		Donna Coggeshall	
Title:	RIS Program Manager		Research Manager	
Department	Research and Information Services		Research and Information Services	
Organization:	NCTCOG		NCTCOG	
Street Address:	616 Six Flags Drive		616 Six Flags Drive	
City, State, Zip	Arlington, Texas 76011		Arlington, Texas 76011	
Phone/Fax:	(817) 695-9156	(817) 640-4428	(817) 695-9168	(817) 640-4428
E-mail:	sbroyles@nctcog.org		dcoggeshall@nctcog.org	

CITY OF DUNCANVILLE

	MAIN CONTACT		ADDITIONAL CONTACT	
Name:	Shahad Mohammed			
Title:	Assistant Director of Public Works			
Department	Public Works			
Organization:	City of Duncanville			
Street Address:	330 Shady Trail Drive			
City, State, Zip	Duncanville, TX 75137			
Phone/Fax:	972-780-5016			
E-mail:	shahad.mohammed@duncanvilletx.gov			

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Continue the Public Hearing on the FY 2024-25 Proposed Budget

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Jennifer Otey, Budget Administrator

BACKGROUND/HISTORY:

At the September 3, 2024, Council meeting a presentation on the proposed budget was provided and a hearing held. Due to another workshop being held on September 5, 2024, Council voted to keep the public hearing open through September 17. The public will have an opportunity to provide comment and feedback at this hearing.

At the workshop on August 15, 2024, Council directed staff to provide a proposal to incorporate TMRS, Texas Municipal Retirement System, benefit changes of 50% Updated Service Credit, 30% COLA recurring option. TMRS is city employee pension system. It is a recruitment and retention tool. The benefit change is partially restoring the benefit package once offered back in 2008 and before. It provides an enhancement to the pension plan of current employees as well as a recurring COLA to retirees. At the September 5, 2024, meeting, staff provided a proposal that included this TMRS benefit change, as well as identifying additional revenue sources, and budget reductions to balance the budget.

The changes are summarized as follows:

GENERAL FUND – REVENUE CHANGES

- Added $500,000 in Court Fine collections with the intention of aggressively pursuing outstanding warrants.

- Increased investment income by $100,000.
- Increased Administrative Fees charged to Economic Development and Hotel/Motel funds by $87,000. Total increased revenue is $687,000.

GENERAL FUND – EXPENDITURES CHANGES

- TMRS (Retirement) Benefit Changes + $804,471
- Police and Fire Overtime reduction ($150,000)
- Subscriptions not needed with outsourcing GIS (mapping) - ($5,812)
- Regional Dispatch software upgrade is deferred to FY 2026 – ($127,710)
- Council Retreat and Facilitator - ($25,000)
- IT Memberships, Maintenance, & GIS Training – ($130,700)
- Savings Goal – ($194,433)

Total change in General Fund Expenditures - $179,539. Between the additional revenue and reduction in expenditures, the budget is balanced with revenues equaling expenditures.

OTHER FUND - CHANGES

Utility Fund: Increase of $567,912 to expenditures. 1) TMRS benefit changes comes to $69,342; 2) $500,000 increase to Trinity River Authority (Wastewater Treatment). It is projected the City's cost will increase over FY 2025 toward the Ten Mile Creek wastewater treatment plant. The increase in water/sewer rates previously proposed will cover the increase. There will be no further impact to customers.

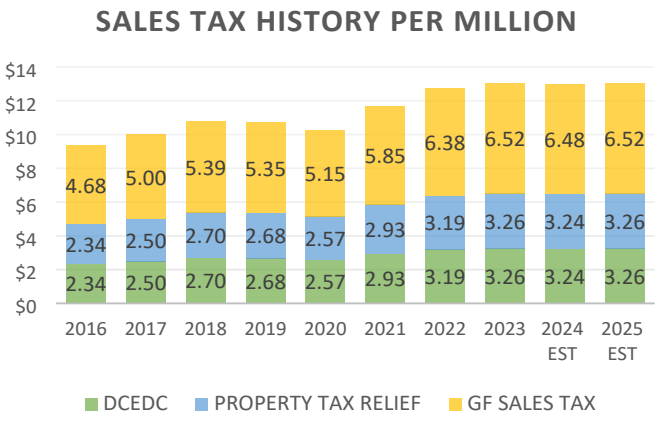
Sanitation Fund: Increase of $8,635 for TMRS benefit changes.

Hotel/Motel Fund: Increase of $15,053 to expenditures. 1) TMRS benefit changes of $3,053 and 2) $12,000 change in Administrative Fee to the General Fund.

Economic Development: Increase of $91,677 in expenditures. 1) TMRS benefit changes of $16,677 and 2) $75,000 increase to Administrative Fee to the General Fund.

Fieldhouse Fund: Increase of $9,259 for TMRS benefit change.

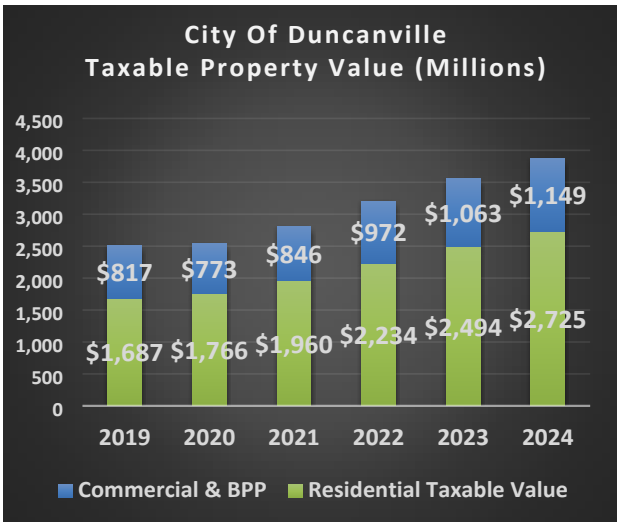
REVENUE OUTLOOK



1. Sales Tax has been trending slightly downward. FY 2025 proposed budget assumes no increase in sales tax revenue. This chart shows the 10-year history. Forty-three percent of Duncanville's collections are from the retail trade segment, such as retail, grocery stores and this segment has been trending less compared to this time last year. The convenience of online shopping continues as "brick and mortar" stores soften. Sales tax is the second largest source of revenue for the General Fund. The proposed budget assumes no increase.

2. Property Tax – the Certified Taxable Values are 8.91% higher than the 2023 certified values. Dallas Central Appraisal District released the certified values on July 25 and Dallas County provided the tax rate calculation on 07/26/24. Property Tax is the largest source of revenue for the General Fund. In March 2024, City Council voted to increase the homestead exemption to $40,000 for Seniors and Disabled. The proposed budget assumes the voter approval rate. This increases revenue by approximately $934,496, or 4.03%, compared to the 2023 adjusted tax levy.

Tax Rate Comparison			
Fiscal Year	Tax Rate	Single-Family Avg Taxable Value	Annual City Tax
2020	$0.743447	$150,870	$1,122
2021	$0.716852	$164,095	$1,176
2022	$0.700000	$173,715	$1,216
2023	$0.650460	$207,110	$1,347
2024	$0.646034	$222,690	$1,438
2025 (EST)	$0.614834	$243,957	$1,500



IMPACT TO THE AVERAGE RESIDENT

SERVICE OF FEE – MONTHLY	*FY 2023-24*	*FY 2024-25 ESTIMATE*	*$$ CHANGE*	*TYPICAL RATE PAYER DEFINED:*
Water & Sewer	$112.28	$120.42	$8.14	Single-family, under 65 residential 6,000 GAL
Garbage	$27.58	$28.96	$1.38	Single-family curbside
Drainage	$3.50	$5.00	$1.50	
TOTAL UTILITIES	**$143.36**	**$154.38**	**$11.02**	
Property Tax (City Portion)	$119.89	$124.99	$5.10	2023 SFR - $222,690 2024 SFR - $243,957
TOTAL MONTHLY IMPACT	**$263.25**	**$279.37**	**$16.12**	
Annual Property Tax Impact	$1,438.68	$1,499.93	$61.25	

- Water and Sewer rates based on the third year of the five-year rate increase model Ordinance 2230R passed August 16, 2022.
- Garbage collection fees based on projected 5.4% CPI increase to the City's garbage collection contract. 5% increase projected to pass along to customers.
- Increase stormwater fee to $5.00 a month, from $3.50 per month.
- The average taxable value, as used above, includes all residential parcels with all eligible exemptions included. The city tax using the average market value of $304,507 (and assuming no exemptions) equates to approximately $104 more a year or $8.67 more a month. The average market value increased 11.3% compared to 2023.

STRATEGIC HIGHLIGHTS - EXPENDITURES

Re-Imagine High Quality of Life

- Grow special events and invest in the arts
- $365,000 was moved from General Fund support to Economic Development oversight and support to grow events to signature, destination events
- $105,000 projected support toward the Arts Commission events
- Establish a K9 Unit - $110,000 and purchase additional FLOCK cameras
- Continue support of city-wide beautification through Economic Development funds - $240,519

Emphasize Government Accountability, Customer Service, Efficiencies

- Continue to invest in competitive wages and benefits - $1.1 million increase compared to FY24 Adopted Budget across all funds
  - 2% COLA and up to 1% merit for eligible employees
  - 100% city paid employee only dental as a strategy to offset the 18% increase in rates and to save 1% on the medical rates to bundle
  - **Update TMRS benefits to 50% USC, 30% COLA**
- Continue to participate with and support regional partnerships and sevices - $2.1 million for dispatch, animal, and jail services

Promote Development and Redevelopment
Develop Infrastructure Improvement Strategy

- Continue to invest in businesses with redevelopment incentives - $2.2 million
- $150,000 for updated Comprehensive Plan, a 12-month process
- Automated Metering Infrastructure and focus on Service Center renovations
- Update Utility Master Plans
- Facilities Conditions Assessment to develop long-term CIP planning
- Invest $1.4 million toward the Duncanville Fieldhouse HVAC and roof replacement

Advance the Marketing Strategy of the CIty and Community Engagement Plan

- $6,000 in afterhour service to expand non-emergency coverage. Currently only available for Utilities
- $65,000 for newsletter publications, enhanced social media monitoring tool, email news blasts, and website management
- $125,000 from Economic Development for sponsorships
- $20,880 for media mixers, improved meeting and event signage, City Hall open house, and promotional items

REMAINING DATES

• September 17, 2024	Public hearings on Budget and Tax Rate, Adoption of Budget and Tax Levy

POLICY EXPLANATION:
Per section 102.006 of the Texas Local Government Code, a public hearing on the proposed budget is required and must occur on a date before the date the governing body makes its tax levy. In other words, before Council adopts the Tax Rate. Additionally, the City Charter section 4 requires a public hearing be held on the proposed budget prior to adoption.

There is no action to be taken after the hearing. Council can deliberate the budget and with consensus, give staff direction to make changes as necessary.

FUNDING SOURCE:

ORG and Object Number
NA

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
No action is needed.

Duncanville
City of Champions

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Conduct a Public Hearing on the 2024 tax rate.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
Jennifer Otey, Budget Administrator

BACKGROUND/HISTORY:
The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state. Additionally, it is required that a public hearing on the tax rate be conducted if the proposed tax rate is higher than the No-New-Revenue rate. The No-New-Revenue rate is the tax rate that will raise the same amount of property tax revenue for the City of Duncanville from the same properties in both the 2023 and 2024 tax years. The Voter-Approval rate is the highest rate a city may adopt without holding an election to seek voter approval. The 2023 adopted tax rate, the 2024 No-New-Revenue rate, the 2024 Voter-Approval tax rate, and the 2024 proposed tax rate are as follows.

2023 Adopted Tax Rate:	$0.646034 per $100 valuation
2024 No-New-Revenue:	$0.587621 per $100 valuation
2024 Voter-Approval:	$0.614834 per $100 valuation
2024 Proposed Tax Rate:	$0.614834 per $100 valuation

This tax rate will raise more taxes for maintenance and operations than last year's tax rate. The tax rate will effectively be raised by 4.07% and will raise taxes for maintenance and operations on a $100,000 home by approximately $-28.07.

The following table compares the taxes imposed on the average residence homestead by the City last year compared to the proposed rate and average residence homestead in the City this year.

	2023	2024	Change
Total tax rate (per $100 of value)	$0.646034	$0.614834	decrease of -0.031200, or -4.83%
Average homestead taxable value	$221,903	$243,957	increase of 22,054, or 9.94%
Tax on an average homestead	$1,433.57	$1,499,93	increase of 66.36, or 4.63%
Total tax levy on all properties	$23,174,028	$24,108,524	increase of 934,496, or 4.03%

POLICY EXPLANATION:
The proposed tax rate of $0.614834 per $100 valuation exceeds the No-New-Revene tax rate of $0.587621 per $100 valuation. A public hearing is required to be conducted prior to the adoption of the tax rate. The vote on the tax rate must occur within 7 days of the public hearing and may occur at the same meeting as the public hearing on the tax rate. City Council may deliberate the tax rate upon the conclusion of the public hearing.

FUNDING SOURCE:

ORG and Object Number
NA

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
1. Conduct the Public Hearing as required.

ATTACHMENTS:
Adoption of Tax Rate Calculations - 2024

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
City of Duncanville

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No-New-Revenue Tax Rate Worksheet.	$3,599,948,393
2. Last year's M&O tax rate. Enter Line 28 of the Voter-Approval Tax Rate Worksheet.	$0.605557/$100
3. M&O taxes refunded for years preceding tax year 2023. Enter Line 31A of the Voter-Approval Tax Rate Worksheet.	$56,962
4. TIF Adjustment. Enter Line 31B of the Voter-Approval Tax Rate Worksheet.	$139,137
5. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3 and subtract line 4.	$21,717,564
6. This year's total taxable value. Enter line 21 of the No-New-Revenue Tax Rate Worksheet.	$3,921,143,555
7. This year's proposed M&O tax rate. Enter the proposed M&O tax rate approved by the Governing Body.	$0.577487/$100
8. This year's M&O tax levy. Multiply line 6 times line 7 and divide by 100.	$22,644,094
9. M&O Tax Increase (Decrease). Subtract line 5 from line 8.	$926,530
Comparison of Total Tax Rates	
10. No-New-Revenue Total Tax Rate.	$0.587621/$100
11. This year's proposed total tax rate.	$0.614834/$100
12. This year's rate minus No-New-Revenue rate. Subtract line 10 from line 11.	$0.027213
13. Percentage change in total tax rate. Divide Line 12 by line 10.	4.63%
Comparison of M&O Tax Rates	
14. No-New-Revenue M&O Tax Rate. Enter line 39 of the Voter-Approval Tax Rate Worksheet.	$0.554877/$100
15. This year's proposed M&O tax rate.	$0.577487/$100
16. This year's rate minus No-New-Revenue rate. Subtract line 14 from line 15.	$0.022610
17. Percentage change in M&O tax rate. Divide line 16 by line 14.	4.07%
Raised M&O Taxes on a $100,000 Home	
18. This year's taxable value on a $100,000 home.	$100,000
19. Last year's M&O tax rate.	$0.605557/$100
20. This year's proposed M&O tax rate.	$0.577487/$100
21. This year's raised M&O taxes. Subtract line 19 from line 20 and multiply result by line 18.	$-28.07

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Ordinance approving and adopting a budget for the City for the Fiscal Year October 1, 2024, through September 30, 2025

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
Jennifer Otey, Budget Administrator

BACKGROUND/HISTORY:
As required by the City Home Rule Charter, Section 4.02, the City Manager and Staff have prepared a budget for the Fiscal Year 2025, following a workshop meeting on August 15, 2024, and September 5, 2024, at which the City Council provided input and direction on the budget. The proposed budget was filed and provided to the City Council on July 16, 2024. A briefing update, presentation, and public hearing on the budget was held on September 3, 2024, as required by Duncanville Home Rule Charter Section 4.04 and Local Government Code Chapter 102.006. Additionally, the public hearing was kept open per Council vote through September 17, 2024.

Changes to the proposed budget, as presented at the September 5, 2024, budget workshop, have been incorporated.

POLICY EXPLANATION:
Section 4.05 of the Duncanville Home Rule Charter states that the Council shall adopt a budget for the next fiscal year at least 10 days before the fiscal year-end.

Motion: I move the proposed budget for the City of Duncanville for Fiscal Year October 1, 2024, through September 30, 2025; providing that expenditures for said Fiscal Year shall be made in accordance with said Budget, be adopted. This budget will raise more total property taxes than last year's budget by $934,496, or 4.03%, and of that amount, $44,316 is tax revenue to be raised from new property added to the tax roll this year.

FUNDING SOURCE:

ORG and Object Number
NA

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:

1. Approve the proposed budget.
2. Do not approve the proposed budget.
3. Other actions as directed by Council.

ATTACHMENTS:

Ordinance 2523 - Adopting FY24-25 Budget

EXHIBIT A

ORDINANCE NO. 2523

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS, APPROVING AND ADOPTING A BUDGET FOR THE CITY FOR THE FISCAL YEAR OCTOBER 1, 2024 THROUGH SEPTEMBER 30, 2025; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; PROVIDING SEVERABILITY, REPEALING AND SAVINGS CLAUSES; PROVIDING AN EFFECTIVE DATE FOR THIS ORDINANCE; AND DECLARING AN EFFECTIVE DATE. THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY $934,496 OR 4.03%, AND OF THAT AMOUNT $44,316 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.

WHEREAS, the City Manager of the City of Duncanville, Texas, on the 16th day of July, 2024, filed with the City Secretary a proposed general budget for the City covering the fiscal year aforesaid; and

WHEREAS, the governing body of the City concluded its public hearing on said budget on September 3, 2024, and notice of the public hearing was published in the official newspaper of the City at least 5 days before the date of the public hearing; and

WHEREAS, the City Council finds that all legal notices, hearings, procedures and publishing requirements for the adoption of the budget have been performed or completed in the manner and form set forth by law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS:

SECTION 1. Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2. Adoption of Budget. The 2024-2025 budget attached hereto as Exhibit "A", and the maintenance and operation and debt service funds, and, all other funds and appropriation set forth therein including utility sales tax, drainage and sanitation funds is hereby approved in all respects and is adopted for the City's fiscal year beginning October 1, 2024 and ending September 30, 2025.

SECTION 3. Appropriation of Funds. For the City's fiscal year beginning October 1, 2024 and ending September 30, 2025, the amounts reflected in the budget: (a) to provide for a sinking fund for the payment of principal and interest of debt; and (b) to provide for the payment of expenditures shown in the budget, are hereby officially appropriated for maintenance and operations and such other expenditures and appropriated recited therein.

SECTION 4. Amendments to the Budget. Expenditures during the 2024-2025 fiscal year shall be made in accordance with this budget and this ordinance, unless amended in accordance with Chapter 102 of the Texas Local Government Code and/or the Home Rule Charter.

EXHIBIT A

SECTION 5. Authority of City Manager. That specific authority is given to the City Manager to make transfers of budgeted appropriations from one account classification to another account classification within the same department.

SECTION 6. Amendments. A copy of the Budget and this Ordinance, if any amendment thereto, shall be filed with the county clerk as provided by state law.

SECTION 7. Ratification. That the City Council hereby ratifies, adopts, and approves all actual expenditures and changes to the Fiscal Year 2023-2024 Budget; and hereby authorizes the same as if previously approved and adopted.

SECTION 8. Effective Date. This Ordinance shall take effect immediately from and after its passage as the law in such cases provides.

DULY PASSED by the City Council of the City of Duncanville, Texas, on this the 17th day of September 2024.

APPROVED:

_____
GREG CONTRERAS, MAYOR

ATTEST:

_____
CHIQUITA TAYLOR, CITY SECRETARY

APPROVED AS TO FORM:

_____
ROBERT E. HAGER, CITY ATTORNEY

EXHIBIT A

City of Duncanville
Fiscal Year 2024-2025
Proposed Annual Budget

Pending approval by the Mayor and City Council
In accordance with Texas Local Government Code 102.007

City Council Record Vote

The members of the governing body voted on the budget as follows:

FOR:

AGAINST:
ABSENT:

This budget will raise more revenue from property taxes than last year's budget by an amount of $934,496, which is a 4.03 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $44,316.

PROPERTY TAX RATE COMPARISON

Fiscal Year	Property Tax Rate (Proposed)	No New Revenue Rate	No New Revenue M&O* Tax Rate	Voter-Approval Rate	Debt Rate
2024-25	$0.614834	$0.587621	$0.554877	$0.614834	$0.037347
2023-24	$0.646034	$0.601654	$0.561177	$0.646157	$0.040477

***** Maintenance and Operations

MUNICIPAL DEBT OBLIGATIONS – PRINCIPAL & INTEREST

Tax Supported	Revenue Supported	Total
$22,243,309	$537,950	$22,781,259

EXHIBIT A

CONSOLIDATED SUMMARY BY FUND

PROPOSED BUDGET - FY 2024-2025 WITH PROPOSED CHANGES 09.05.24

FUND	NEW REVENUE	FUND BALANCE RESOURCES	EXPENSES	NET REVENUE
001 - GENERAL FUND	$42,497,060	$0	($42,497,060)	$0
002 - WATER/SEWER UTILITY FUND	22,847,537	0	(22,731,729)	115,808
005 - DEBT SERVICE FUND	1,515,556	0	(1,486,056)	29,500
008 - COMPREHENSIVE SELF INSURANCE	560,025	24,975	(585,000)	0
010 - HOTEL TAX FUND	923,000	1,721,423	(2,644,423)	0
012 - ECONOMIC DEVELOPMENT	3,681,897	1,239,932	(4,921,829)	0
013 - GRANT FUND	204,675	10,707	(215,382)	0
015 - DRAINAGE FUND	1,050,000	21,741	(1,071,741)	0
017 - UTILITY CAPITAL PROJECTS	5,250,000	0	(5,168,719)	81,281
018 - UTILITY METER REPLACEMENT FUND	0	0	(0)	0
019 - SANITATION FUND	4,829,413	0	(4,818,083)	11,330
020 - STREET/ALLEY CIP FUND	100,000	0	(50,000)	50,000
024 - PARK CAPITAL IMPROV FUND	0	3,484,054	(3,484,054)	0
025 - ALLEY IMPROVEMENT FUND	200,000	253,408	(453,408)	0
026 - CAPITAL IMPROVEMENT PROJ FUND	0	3,897,200	(3,897,200)	0
032 - INFO TECH REPAIR/REPLACE FUND	0	0	(0)	0
033 - TAX INCREMENT FINANCING FUND	172,198	0	(2,750)	169,448
041 - ONE-TIME PROJECTS	0	0	(0)	0
050 - POLICE FORFEITURE/SEIZURE FUND	36,800	529,700	(566,500)	0
215 - PEG FUND	45,000	5,000	(50,000)	0
225 - COURT SECURITY FUND	8,000	0	(0)	8,000
230 - JUVENILE CASE MANAGER FUND	8,000	0	(7,500)	500
235 - COURT TECHNOLOGY	7,500	0	(250)	7,250
401 - FURNITURE REPLACEMENT FUND	0	25,000	(25,000)	0
405 - FACILITY REPAIR/RENOVATE FUND	0	0	(0)	0
410 - IT REPAIR/REPLACEMENT FUND	0	132,275	(132,275)	0
415 - FLEET/EQUIP REPR/REPLACE FUND	1,026,814	0	(1,025,000)	1,814
420 - SWAT REPLACEMENT FUND	83,000	0	(36,000)	47,000
456 - FIELDHOUSE	2,140,650	0	(2,036,647)	104,003
758 - AMERICAN RESCUE PLAN	0	500,000	(500,000)	0
TOTALS	**$87,187,125**	**$11,845,414**	**(98,406,605)**	**$625,933**

EXHIBIT A

CONSOLIDATED FUND SUMMARY
BY REVENUE AND EXPENDITURE TYPE
PROPOSED BUDGET - FY 2024-2025 WITH PROPOSED CHANGES 09.05.24

NEW REVENUES	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
50 - PROPERTY TAXES	$21,759,884	23,393,424	23,393,424	$24,454,564	$24,454,564	$0
51 - SALES & OTHER TAXES	14,425,587	14,528,864	14,528,864	14,154,629	14,154,629	0
52 - PERMITS & LICENSES	641,662	647,500	647,500	671,500	671,500	0
53 - FINES & FEES	345,109	377,600	377,600	341,100	841,100	500,000
54 - INTERGOV REVENUES	5,609,435	1,431,111	5,131,312	588,210	588,210	0
55 - INTEREST	3,432,411	87,000	1,214,837	1,505,600	1,605,600	100,000
56 - FRANCHISE FEE REV	2,263,403	2,080,000	2,080,000	2,060,000	2,060,000	0
57 - CHARGES FOR SERVICES	26,932,293	28,832,460	28,832,460	30,976,673	30,976,673	0
58 - TRANSFER FROM FUNDS	10,976,894	6,345,488	9,345,488	9,460,308	9,547,308	87,000
59 - OTHER SOURCES	2,642,276	6,931,636	3,241,136	2,287,541	2,287,541	0
TOTAL RECURRING REVENUES	**89,028,955**	**84,655,083**	**88,792,621**	**86,500,125**	**87,187,125**	**687,000**
USE OF FUND BALANCE RESOURCES		13,235,646	17,560,702	12,224,405	11,845,414	
TOTAL RESOURCES		**$97,890,729**	**$106,353,324**	**$98,724,529**	**$99,032,539**	
EXPENSES						
60 - SALARY AND BENEFITS	$27,224,669	30,314,473	29,910,753	$31,419,935	$32,332,947	$913,013
72 - SUPPLIES & MATERIALS	2,813,180	4,747,521	4,097,448	4,200,322	4,190,150	(10,172)
73 - CONTRACT & PROF SVCS	21,910,310	24,506,302	27,096,065	25,512,106	25,854,396	342,290
74 - MAINT & REPAIR SVCS	1,649,958	2,284,189	2,251,164	2,098,649	1,998,649	(100,000)
75 - UTILITIES	1,245,381	1,251,864	1,245,714	1,245,196	1,245,196	0
76 - CAPITAL OUTLAY	22,391,347	18,991,663	21,547,935	16,742,481	16,742,481	0
77 - DEBT SERVICES	2,120,086	2,020,481	2,020,481	2,024,506	2,024,506	0
78 - TRANSFER TO FUNDS	12,188,337	7,525,176	10,502,920	10,487,122	10,574,122	87,000
79 - OTHER FINANCING USES	1,227,680	3,361,974	4,506,783	3,664,290	3,444,158	(220,133)
TOTAL EXPENDITURES	**92,770,947**	**95,003,643**	**103,179,264**	**97,394,608**	**98,406,605**	**1,011,998**
NET REVENUE OVER / (UNDER) EXPENDITURES	**($3,741,993)**	**$2,887,086**	**$3,174,059**	**$1,329,922**	**$625,933**	
BEGINNING FUND BALANCE	***$80,063,911***	***$42,932,681***	***$76,321,918***	***$61,935,276***	***$61,935,276***	
ENDING FUND BALANCE PROJECTED	***$76,321,918***	***$32,584,121***	***$61,935,276***	***$51,040,793***	***$50,715,795***	

* Ending Fund Balance is the audited ending fund balance for General Fund for FY 2022

EXHIBIT A

001 - GENERAL FUND
SUMMARY
PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

REVENUES	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
50 - PROPERTY TAXES	$20,848,904	$21,909,710	$21,909,710	$22,939,008	$22,939,008	0
51 - SALES & OTHER TAXES	9,957,104	10,251,648	10,251,648	9,951,222	9,951,222	0
52 - PERMITS & LICENSES	641,662	647,500	647,500	671,500	671,500	0
53 - FINES & FEES	315,352	350,100	350,100	313,600	813,600	500,000
54 - INTERGOV REVENUES	305,146	347,861	347,861	350,810	350,810	0
55 - INTEREST	2,347,008	67,700	1,135,151	1,400,000	1,500,000	100,000
56 - FRANCHISE FEE REV	1,967,159	1,755,000	1,755,000	1,785,000	1,785,000	0
57 - CHARGES FOR SERVICES	1,052,982	1,147,200	1,147,200	1,214,000	1,214,000	0
58 - TRANSFER FROM FUNDS	2,904,293	2,795,905	2,795,905	2,715,670	2,802,670	87,000
59 - OTHER SOURCES	611,563	448,250	448,250	469,250	469,250	0
TOTAL RECURRING REVENUES	**40,951,173**	**39,720,874**	**40,788,325**	**41,810,060**	**42,497,060**	**687,000**
USE OF FUND BALANCE		862,511	478,413	**507,461**	**0**	
TOTAL RESOURCES	40,951,173	40,583,385	41,266,738	**$42,317,521**	**$42,497,060**	

EXPENSES	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
60 - SALARY AND BENEFITS	$23,635,349	$26,199,314	$25,850,594	$27,261,578	$27,924,771	$663,194
72 - SUPPLIES & MATERIALS	1,745,484	2,140,346	2,199,698	2,866,574	2,860,762	(5,812)
73 - CONTRACT & PROF SVCS	6,424,696	7,725,081	8,667,623	7,745,791	7,588,081	(157,710)
74 - MAINT & REPAIR SVCS	1,281,396	1,743,685	1,715,330	1,517,745	1,417,745	(100,000)
75 - UTILITIES	1,037,120	981,857	975,707	998,711	998,711	0
76 - CAPITAL OUTLAY	170,460	153,458	266,078	169,100	169,100	0
77 - DEBT SERVICES		0	0	0	0	0
78 - TRANSFER TO FUNDS	1,670,960	1,143,674	1,121,418	1,066,425	1,066,425	0
79 - OTHER FINANCING USES	437,851	495,970	470,290	691,598	471,466	(220,133)
TOTAL EXPENDITURES	**36,403,318**	**40,583,385**	**41,266,738**	**42,317,521**	**42,497,060**	**179,539**
NET REVENUE OVER / (UNDER) EXPENDITURES	**$4,547,855**	**$0**	**$0**	**$0**	**$0**	
BEGINNING FUND BALANCE	**$16,963,772**	**$17,461,689**	**$21,511,627**	***$21,033,215***	***$21,033,215***	
ENDING FUND BALANCE PROJECTED	**$21,511,627**	**$16,569,178**	**$21,033,215**	***$20,525,754***	***$21,033,215***	
Targeted Reserve - 90 Days (25%)	$8,976,161		$10,175,360	$10,434,457	$10,478,727	
Maximum Reserve - 150 Days (41%)	$14,960,268		$16,958,933	$17,390,762	$17,464,545	
Excess Amount Over Maximum	$6,551,360		$4,074,281	$3,134,992	$3,568,669	

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

001 - GENERAL FUND
PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024
Revenues By Detailed Category

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
50 - PROPERTY TAXES						
501101 - CURRENT TAXES	20,447,149	21,619,710	21,619,710	22,689,008	22,689,008	
501102 - DELINQUENT TAXES	292,899	145,000	145,000	150,000	150,000	
501103 - PENALTIES AND INTEREST	108,856	145,000	145,000	100,000	100,000	
TOTAL	**$20,848,904**	**$21,909,710**	**$21,909,710**	**$22,939,008**	**$22,939,008**	
51 - SALES & OTHER TAXES						
501201 - STATE SALES TAX CITY PORTION	6,560,814	6,768,432	6,768,432	6,560,815	6,560,815	
501202 - SALES TAX PROPERTY TAX RELIEF	3,280,407	3,384,216	3,384,216	3,280,407	3,280,407	
501204 - ALCOHOLIC BEVERAGE TAX	115,882	99,000	99,000	110,000	110,000	
TOTAL	**$9,957,104**	**$10,251,648**	**$10,251,648**	**$9,951,222**	**$9,951,222**	
52 - PERMITS & LICENSES						
502101 - BUILDING PERMITS	312,673	350,000	350,000	350,000	350,000	
502102 - ELECTRICAL PERMITS	43,535	27,000	27,000	35,000	35,000	
502103 - SOLICITOR LICENSES	825	500	500	500	500	
502106 - SIGN PERMITS	22,827	18,000	18,000	20,000	20,000	
502108 - HEALTH FOOD INSPECTION FEES	62,105	75,000	75,000	71,000	71,000	
502109 - PLUMBING AND AC PERMITS	52,825	60,000	60,000	60,000	60,000	
502111 - ZONING & SPEC USE PERMIT	18,275	12,000	12,000	15,000	15,000	
502114 - RENTAL PROPERTY REGISTRATION	58,405	55,000	55,000	55,000	55,000	
502120 - ALARM PERMITS	65,793	45,000	45,000	60,000	60,000	
502122 - POOL OR SPA INSPECTION FEE	4,400	5,000	5,000	5,000	5,000	
TOTAL	**$641,662**	**$647,500**	**$647,500**	**$671,500**	**$671,500**	
53 - FINES & FEES						
502107 - WRECKER AND STORAGE FEES	67	0	0	0	0	
503101 - MUNICIPAL COURT FINES	242,070	275,000	275,000	250,000	750,000	500,000
503102 - COURT RELATED FEES	61,754	60,000	60,000	50,000	50,000	
503103 - SCHOOL CROSSING FEES	2,590	2,500	2,500	2,500	2,500	
503201 - LIBRARY FINES	7,362	5,000	5,000	6,000	6,000	
503301 - FALSE ALARM FINES	1,360	7,500	7,500	5,000	5,000	
509609 - RETURN CHECK FEES	148	100	100	100	100	
TOTAL	**$315,352**	**$350,100**	**$350,100**	**$313,600**	**$813,600**	**$500,000**
54 - INTERGOV REVENUES						
504102 - DISD SCHOOL CROSSING GUARDS	46,800	50,310	50,310	50,310	50,310	
504103 - DALLAS CNTY CROSSING GUARD REV	43,897	40,000	40,000	40,000	40,000	
504109 - REIMB FOR REG EMERG MANAGER	38,938	147,551	147,551	150,500	150,500	
507105 - SENIOR MEAL DONATIONS	2,566	0	0	0	0	
508201 - FEDERAL GRANTS		0	0	50,000	50,000	
508203 - INTERGOV REIMBURSEMENT-CDBG	60,581	60,000	60,000	60,000	60,000	
508210 - INTERGOV REIMBURSEMNTS-CARE TM	112,364	50,000	50,000	0	0	
TOTAL	**$305,146**	**$347,861**	**$347,861**	**$350,810**	**$350,810**	
55 - INTEREST						
505101 - INTEREST ON GOVT POOL INVEST	1,387,770	1,700	525,320	900,000	1,000,000	100,000
505103 - CERT OF DEPOSIT INTEREST	124,067	36,000	102,582	100,000	100,000	
505106 - MONEY MARKET INTEREST	835,171	30,000	507,249	400,000	400,000	
TOTAL	**$2,347,008**	**$67,700**	**$1,135,151**	**$1,400,000**	**$1,500,000**	**$100,000**
56 - FRANCHISE FEE REV						
501301 - FRANCHISE FEE ELECTRIC	1,172,953	1,150,000	1,150,000	1,150,000	1,150,000	
501302 - FRANCHISE FEE GAS	497,139	390,000	390,000	425,000	425,000	
501303 - FRANCHISE FEE TELEPHONE	94,954	75,000	75,000	70,000	70,000	
501304 - FRANCHISE FEE CABLE TV	202,114	140,000	140,000	140,000	140,000	
TOTAL	**$1,967,159**	**$1,755,000**	**$1,755,000**	**$1,785,000**	**$1,785,000**	

EXHIBIT A

001 - GENERAL FUND
PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024
Revenues By Detailed Category

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
57 - CHARGES FOR SERVICES						
502105 - EMERGENCY MEDICAL SERVICE	743,616	900,000	900,000	900,000	900,000	
507102 - RECREATION FEES	189,023	200,000	200,000	250,000	250,000	
507107 - RECREATION CENTER CLASSES	29,108	16,000	16,000	25,000	25,000	
507108 - SPECIAL EVENTS	51,324	16,000	16,000	16,000	16,000	
507109 - SENIOR CLASS/TRIPS	6,359	3,000	3,000	3,000	3,000	
509603 - LIBRARY SERVICE FEES	26,877	10,000	10,000	17,000	17,000	
509622 - MOWING LIEN REIMBURSEMENTS	1,768	0	0	0	0	
TOTAL	$1,052,982	$1,147,200	$1,147,200	**$1,214,000**	**$1,214,000**	
58 - TRANSFER FROM FUNDS						
598002 - PILOT FEE TZ-CITY WWW UTILITY	1,724,640	1,542,082	1,542,082	1,409,097	1,409,097	
599002 - TRANS FROM UTILITY FUND-002	1,065,393	1,065,393	1,065,393	1,086,766	1,086,766	
599010 - TRANS FROM HOTEL FUND-010	31,268	35,616	35,616	48,236	60,236	12,000
599012 - TRANS FROM EDC FUND-012	73,992	145,814	145,814	165,571	240,571	75,000
599019 - TRANS FROM SANITATION FND-019		0	0	0	0	
599230 - TRANS FROM JUVENILE FUND-230	9,000	7,000	7,000	6,000	6,000	
TOTAL	$2,904,293	$2,795,905	$2,795,905	**$2,715,670**	**$2,802,670**	**$87,000**
59 - OTHER SOURCES						
503202 - LIBRARY DONATIONS	44	0	0	0	0	
509101 - SALE OF FIXED ASSETS	34,248	0	0	0	0	
509105 - SALE OF MATERIALS	666	3,750	3,750	3,750	3,750	
509201 - INSURANCE RECOVERY	27,326	0	0	75,000	75,000	
509601 - MISCELLANEOUS REVENUE	207,668	100,000	100,000	100,000	100,000	
509602 - CASH OVER AND SHORT	936	0	0	0	0	
509604 - POLICE ACCIDENT REPORTS	3,799	3,500	3,500	3,500	3,500	
509606 - AUCTION PROCEEDS	0	0	0	0	0	
509612 - CITY SERVICES REIMBURSEMENT	9,001	58,000	58,000	54,000	54,000	
509613 - WORKERS COMP REIMBURSEMENT	17,591	45,000	45,000	45,000	45,000	
509614 - RENTAL OF TOWER	176,172	225,000	225,000	175,000	175,000	
509617 - LEASE INCOME-EON	120,000	0	0	0	0	
509618 - GAS WELL OIL REVENUE	11,390	13,000	13,000	13,000	13,000	
509623 - CLAIM REIMBURSEMENTS	1,305	0	0	0	0	
588888 - REVENUE SUSPENSE	1,419	0	0	0	0	
TOTAL	$611,563	$448,250	$448,250	**$469,250**	**$469,250**	
TOTAL REVENUE	**$40,951,173**	**$39,720,874**	**$40,788,325**	**$41,810,060**	**$42,497,060**	**687,000**

EXHIBIT A

001 - GENERAL FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

EXPENSES BY DEPARTMENT

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
0101 - GENERAL GOVERNMENT AND SUPPORT SERVICES						
010110 - MAYOR AND COUNCIL	138,619	168,082	159,082	168,110	143,110	(25,000)
010111 - CITY ADMINISTRATION	1,008,605	829,356	774,007	945,997	974,093	28,096
010112 - CITY SECRETARY	260,839	379,408	354,408	351,245	357,569	6,324
010113 - HUMAN RESOURCES	512,054	495,086	537,086	592,143	603,386	11,243
010114 - INFO TECHNOLOGY	1,054,470	1,448,337	1,563,915	1,442,719	1,326,552	(116,167)
010115 - PUBLIC INFORMATION OFFICE	356,005	497,264	497,264	583,207	594,917	11,710
010116 - PUBLIC LIBRARY	1,067,292	1,123,899	1,123,899	1,135,433	1,160,399	24,966
010117 - CITY MARSHALL DIV	96,912	120,107	120,107	117,956	120,577	2,621
TOTAL	$4,494,796	$5,061,539	$5,129,768	**$5,336,811**	**$5,280,604**	**($56,207)**
0102 - FISCAL SERVICES						
010220 - FISCAL ADMIN/ACCOUNTING DIV.	1,026,630	$866,446.50	$1,143,530.50	1,172,181	1,198,538	26,357
010223 - MUNICIPAL COURT DIV.	481,348	$538,945.00	$537,945.00	567,071	577,916	10,845
010225 - PROCUREMENT OFFICE	205,658	$250,130.00	$243,330.00	265,447	273,070	7,623
TOTAL	$1,713,636	$1,655,522	$1,924,806	**$2,004,699**	**$2,049,524**	**$44,825**
0103 - NEIGHBORHOOD AND PLANNING						
010361 - BUILDING INSPECT/PERMITS DIV	514,290	$575,513.45	$641,013.45	732,830	751,950	19,120
010364 - PLANNING SERVICES	165,324	$197,080.00	$214,455.00	233,288	238,779	5,491
010365 - NEIGHBORHOOD SVCS	578,183	$699,417.00	$609,417.00	580,496	593,906	13,410
TOTAL	$1,257,797	$1,472,010	$1,464,885	**$1,546,614**	**$1,584,635**	**$38,021**
0104 - PARKS AND RECREATION						
010440 - PARK AND REC ADMINISTRATION	275,428	$290,023.00	$290,023.00	305,050	312,811	7,761
010441 - RECREATION PROGRAMMING	426,332	$487,898.00	$450,212.00	512,262	522,477	10,215
010442 - SPECIAL EVENTS	341,818	$331,832.55	$331,832.55	102,950	102,950	0
010443 - ATHLETIC PROGRAMMING	502,330	$453,122.50	$453,122.50	535,069	540,980	5,911
010445 - HORTICULTURE	137,987	$193,996.00	$193,996.00	208,312	213,329	5,017
010446 - PARK GROUNDS MAINTENANCE	1,288,482	$1,744,209.00	$1,744,209.00	1,865,673	1,888,052	22,379
010449 - SENIOR CENTER	231,320	$238,738.96	$276,424.96	273,897	279,510	5,613
TOTAL	$3,203,698	$3,739,820	$3,739,820	**$3,803,213**	**$3,860,109**	**$56,896**
0105 - POLICE						
010550 - POLICE ADMINISTRATION	2,260,820	$2,507,292.10	$2,599,300.10	2,719,242	2,613,502	(105,740)
010551 - PATROL	5,117,954	$5,693,004.00	$5,693,004.00	6,167,656	6,279,061	111,405
010552 - CRIMINAL INVESTIGATION	1,531,185	$1,642,102.00	$1,556,073.00	1,743,533	1,792,717	49,184
010553 - ANIMAL CONTROL	545,674	$577,993.33	$575,285.33	586,256	590,684	4,428
010554 - SCHOOL GUARDS	104,655	$100,620.00	$100,620.00	100,620	100,620	0
010555 - CRIME PREVENTION	157,485	$168,082.50	$168,082.50	183,976	188,391	4,415
010556 - SWAT DIVISION	93,972	$146,049.00	$146,049.00	174,364	176,016	1,652
010557 - RECORDS	362,426	$378,642.00	$378,642.00	408,908	419,940	11,032
010559 - POLICE SPECIAL SERVICES	450,918	$415,254.26	$411,983.26	487,913	497,198	9,285
TOTAL	$10,625,089	$11,629,039	$11,629,039	**$12,572,468**	**$12,658,129**	**$85,661**
0106 - PUBLIC WORKS						
010660 - PUBLIC WORKS ADMIN/ENGINEERING	475,469	$621,262.50	$581,262.50	558,653	571,365	12,712
010662 - STREET MAINTENANCE	1,910,562	$3,452,237.00	$2,886,237.00	3,461,990	3,493,621	31,631
010663 - TRAFFIC OPERATIONS	1,179,793	$1,110,551.58	$1,110,551.58	1,326,472	1,337,883	11,411
010667 - FLEET/EQUIPMENT SERVICES	1,394,398	$1,340,941.37	$1,840,941.37	1,315,795	1,326,497	10,702
010668 - BUILDING MAINTENANCE	856,987	$979,330.00	$1,047,330.00	1,082,428	1,094,952	12,524
TOTAL	$5,817,210	$7,504,322	$7,466,322	**$7,745,337**	**$7,824,317**	**$78,980**

EXHIBIT A

001 - GENERAL FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

EXPENSES BY DEPARTMENT

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
0107 - FIRE						
010770 - FIRE ADMINISTRATION	646,196	$673,422.00	$685,422.00	675,934	690,746	14,812
010771 - FIRE PREVENTION	312,256	$355,291.00	$355,291.00	402,406	413,095	10,690
010772 - FIRE SUPPRESSION	5,042,217	$5,132,258.00	$5,188,258.00	5,293,634	5,370,798	77,164
010773 - ADVANCED LIFE SUPPORT	1,689,819	$1,808,382.80	$1,796,382.80	2,022,507	2,041,688	19,181
010775 - EMERGENCY MANAGEMENT ADMIN	134,003	$197,229.00	$197,229.00	234,623	238,572	3,949
TOTAL	$7,824,491	$8,166,582.80	$8,222,582.80	**$8,629,104**	**$8,754,899**	**$125,796**
0108 - NON-DEPARTMENTAL						
010880 - NON-DEPARTMENTAL	1,466,574	$1,144,757.87	$1,588,782.87	679,276	484,843	(194,433)
TOTAL	$1,466,574	$1,144,757.87	$1,588,782.87	**$679,276**	**$484,843**	**($194,433)**
0109 - USE OF FUND BALANCE						
010990 - USE OF FUND BALANCE		$209,791.00	$100,731.12	0	0	
TOTAL EXPENSES	**$36,403,292**	**$40,583,385**	**$41,266,738**	**$42,317,521**	**$42,497,060**	**$179,539**

EXHIBIT A

002 - WATER/SEWER UTILITY FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
Revenue						
53 - FINES & FEES	$4,270	$4,000	$4,000	$4,000	$4,000	
54 - INTERGOV REVENUES	0	600	600	600	600	
55 - INTEREST	268,328	17,100	17,100	105,100	105,100	
57 - CHARGES FOR SERVICES	19,521,973	21,061,642	21,061,642	22,670,060	22,670,060	
59 - OTHER SOURCES	173,992	70,777	880,277	67,777	67,777	
Revenue Total	**$19,968,563**	**$21,154,119**	**$21,963,619**	**$22,847,537**	**$22,847,537**	**$0**
Expense						
60 - SALARY AND BENEFITS	$2,027,664	$2,351,735	$2,326,735	$2,416,416	$2,485,758	$69,342
72 - SUPPLIES & MATERIALS	426,193	705,528	653,528	636,704	635,274	(1,430)
73 - CONTRACT & PROF SVCS	9,890,983	10,141,222	10,788,222	10,522,103	11,022,103	500,000
74 - MAINT & REPAIR SVCS	280,784	391,900	346,900	426,800	426,800	0
75 - UTILITIES	78,032	124,220	124,220	103,352	103,352	0
76 - CAPITAL OUTLAY	366,053	0	0	0	0	0
77 - DEBT SERVICES	96,047	0	0	0	0	0
78 - TRANSFER TO FUNDS	8,999,474	5,422,998	8,422,998	8,036,192	8,036,192	0
79 - OTHER FINANCING USES	11,325	14,450	14,450	22,250	22,250	0
Expense Total	**$22,176,555**	**$19,152,053**	**$22,677,053**	**$22,163,817**	**$22,731,729**	**$567,912**
REVENUES OVER/(UNDER) EXPENSES	**($2,207,992)**	**$2,002,067**	**($713,434)**	**$683,720**	**$115,808**	
BEGINNING WORKING CAPITAL BALANCE	***$14,657,302***	***$10,760,534***	***$12,449,310***	***$11,735,877***	***$11,735,877***	
ENDING WORKING CAPITAL BALANCE PROJECTED	***$12,449,310***	***$12,762,600***	***$11,735,877***	***$12,419,596***	***$11,851,684***	
Targeted Reserve - 90 Days (25%)	$5,468,192		$5,591,602	$5,465,051	$5,605,084	
Maximum Reserve - 150 Days (41%)	$9,113,653		$9,319,337	$9,108,418	$9,341,807	
Excess Amount Over Maximum	$3,335,657		$2,416,540	$3,311,178	$2,509,878	

Ending Fund Balance per FY 22 Annual Financial Report

Working Capital for the purpose of the "fund balance" is Current Assets minus Current Liabilities minus the balance within the Utility CIP Fund. The Annual Report consolidates the 2 funds.

EXHIBIT A

005 - DEBT SERVICE FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
50 - PROPERTY TAXES	$910,980	$1,483,715	$1,483,715	$1,515,556
55 - INTEREST	17,719	500	500	(0)
Revenue Total	**$928,698**	**$1,484,215**	**$1,484,215**	**$1,515,556**
Expense				
77 - DEBT SERVICES	1,483,506	1,481,356	1,481,356	1,486,056
78 - TRANSFER TO FUNDS		0	0	0
Expense Total	**$1,483,506**	**$1,481,356**	**$1,481,356**	**$1,486,056**
REVENUES OVER/(UNDER) EXPENSES	**($554,808)**	**$2,858**	**$2,858**	**$29,500**
BEGINNING FUND BALANCE	***$1,233,288***	***$613,492***	***$678,480***	***$681,339***
ENDING FUND BALANCE PROJECTED	***$678,480***	***$616,351***	***$681,339***	***$710,839***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

008 - COMPREHENSIVE SELF INSURANCE

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
505101 - INTEREST ON GOVT POOL INVEST	$0	$500	$500	$0
505103 - CERT OF DEPOSIT INTEREST		0	0	0
514107 - GENERAL FUND CONTRIBUTIONS	380,332	459,405	459,405	459,405
514108 - UTILITY FUND CONTRIBUTIONS	51,862	77,093	77,093	77,093
514109 - HOTEL TAX FUND CONTRIBUTIONS	3,557	0	0	0
514110 - EDC FUND CONTRIBUTIONS	11,628	1,282	1,282	1,282
514111 - SANITATION FUND CONTRIBUTIONS	8,812	3,655	3,655	3,655
514112 - DRAINAGE FUND CONTRIBUTIONS	4,743	0	0	0
514113 - FIELDHOUSE FUND CONTRIBUTIONS	7,115	18,590	18,590	18,590
Revenue Total	**$468,049**	**$560,525**	**$560,525**	**$560,025**
Expense				
700446 - INSURANCE PREMIUMS TML	440,218	450,000	450,000	450,000
700455 - WORKERS COMPENSATION CLAIMS	39,608	75,000	75,000	75,000
700456 - LIABILITY CLAIMS	81,591	60,000	60,000	60,000
Expense Total	**$561,417**	**$585,000**	**$585,000**	**$585,000**
REVENUES OVER/(UNDER) EXPENSES	**($93,368)**	**($24,475)**	**($24,475)**	($24,975)
BEGINNING FUND BALANCE	***$678,276***	***$435,169***	***$584,908***	***$560,433***
ENDING FUND BALANCE PROJECTED	***$584,908***	***$410,694***	***$560,433***	***$535,458***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

010 - HOTEL TAX FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
Revenue						
51 - SALES & OTHER TAXES	$1,188,075	$893,000	$893,000	$923,000	$923,000	
55 - INTEREST	0	500	500	0	0	
59 - OTHER SOURCES		0	0	0	0	
Revenue Total	**$1,188,075**	**$893,500**	**$893,500**	**$923,000**	**$923,000**	
Expense						
60 - SALARY AND BENEFITS	$64,278	$93,654	$93,654	$99,532	$102,585	$3,053
72 - SUPPLIES & MATERIALS	909	5,150	5,150	7,658	7,658	
73 - CONTRACT & PROF SVCS	387,575	700,264	1,033,764	644,459	644,459	
76 - CAPITAL OUTLAY		0	0	1,425,000	1,425,000	
78 - TRANSFER TO FUNDS	31,268	35,616	35,616	449,726	461,726	12,000
79 - OTHER FINANCING USES	0	3,795	3,795	2,995	2,995	
Expense Total	**$484,030**	**$838,479**	**$1,171,979**	**$2,629,370**	**$2,644,423**	**$15,053**
REVENUES OVER/(UNDER) EXPENSES	**$704,045**	**$55,021**	**$(278,479)**	**$(1,706,370)**	**$(1,721,423)**	
BEGINNING FUND BALANCE	***$3,336,431***	***$3,399,807***	***$4,040,476***	***$3,761,997***	***$3,761,997***	
ENDING FUND BALANCE PROJECTED	***$4,040,476***	***$3,454,828***	***$3,761,997***	***$2,055,627***	***$2,040,574***	
Targeted Reserve - 90 Days (25%)	$119,349.90		$288,981.12	$296,967.82	$300,679.52	
Maximum Reserve - 150 Days (41%)	$198,916.50		$481,635.21	$494,946.37	$501,132.53	
Excess Amount Over Maximum	$3,841,559		$3,280,362	$1,560,681	$1,539,442	

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

018 - UTILITY METER REPLACEMENT FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
599002 - TRANS FROM UTILITY FUND-002	1,000,000	500,000	500,000	$0
Revenue Total	**1,000,000**	**500,000**	**500,000**	**$0**
Expense				
700224 - MINOR TOOLS	$0	$0	$0	$0
720108 - UTILITY METERING EQUIPMENT	0	0	0	0
Expense Total	**$0**	**$0**	**$0**	**$0**
REVENUES OVER/(UNDER) EXPENSES	**1,000,000**	**500,000**	**500,000**	**($0)**
BEGINNING WORKING CAPITAL BALANCE		***$1,000,000***	***$1,000,000***	***$1,500,000***
ENDING WORKING CAPITAL BALANCE PROJECTED	***$1,000,000***	***$1,500,000***	***$1,500,000***	***$1,500,000***

The Meter Replacement fund was established beginning in FY 2023. The purpose of this fund is to set aside funds and purchase and replace water meters as needed. The funds currently set aside will go toward the AMI (Automated Metering Infrastructure) project.

EXHIBIT A

012 - ECONOMIC DEVELOPMENT

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
Revenue						
51 - SALES & OTHER TAXES	$3,280,407	$3,384,216	$3,384,216	$3,280,407	$3,280,407	
55 - INTEREST	59,572	0	60,386	0	0	
58 - TRANSFER FROM FUNDS		(0)	(0)	401,490	401,490	
Revenue Total	**$3,339,979**	**$3,384,216**	**$3,444,602**	**$3,681,897**	**$3,681,897**	**$0**
Expense						
12011000 - ECONOMIC DEVELOPMENT ADMIN						
60 - SALARY AND BENEFITS	$367,889	$479,809	$479,809	$486,081	$500,828	14,747
72 - SUPPLIES & MATERIALS	57,071	65,240	65,240	19,250	19,250	
73 - CONTRACT & PROF SVCS	120,884	547,011	522,011	552,221	552,221	
75 - UTILITIES	0	100	100	100	100	
76 - CAPITAL OUTLAY	0	100,000	75,000	0	0	
78 - TRANSFER TO FUNDS	1,220	3,500	3,500	0	0	
79 - OTHER FINANCING USES	56,311	57,320	57,320	51,320	51,320	
12011000 - ECONOMIC DEVELOPMENT ADMIN Total	**$603,375**	**$1,252,980**	**$1,202,980**	**$1,108,972**	**$1,123,719**	**$14,747**
12011800 - BEAUTIFICATION						
60 - SALARY AND BENEFITS	$86,181	$82,926	$82,926	$92,733	$94,663	$1,930
72 - SUPPLIES & MATERIALS	8,982	16,369	16,425	22,282	22,282	
73 - CONTRACT & PROF SVCS	3,020	3,190	3,134	4,250	4,250	
74 - MAINT & REPAIR SVCS	35,067	85,600	85,600	84,600	84,600	
75 - UTILITIES	16,318	23,100	23,100	23,100	23,100	
76 - CAPITAL OUTLAY		0	0	0	0	
78 - TRANSFER TO FUNDS	3,806	6,344	6,344	6,344	6,344	
79 - OTHER FINANCING USES	5,289	6,450	6,450	7,210	7,210	
12011800 - BEAUTIFICATION Total	**$158,664**	**$223,979**	**$223,979**	**$240,519**	**$242,449**	**$1,930**
12041000 - ED SPECIAL EVENTS						
60 - SALARY AND BENEFITS		$0	$0	$39,300	$39,300	
72 - SUPPLIES & MATERIALS		0	0	93,590	93,590	
73 - CONTRACT & PROF SVCS		0	50,000	337,500	337,500	
12041000 - ED SPECIAL EVENTS Total		**$0**	**$50,000**	**$470,390**	**$470,390**	**$0**
12051000 - DEVELOPMENT INCENTIVES						
73 - CONTRACT & PROF SVCS		0	0	0	0	
76 - CAPITAL OUTLAY		0	0	0	0	
79 - OTHER FINANCING USES	389,358	2,325,000	2,664,000	2,306,750	2,306,750	
12051000 - DEVELOPMENT INCENTIVES Total	**$389,358**	**$2,325,000**	**$2,664,000**	**$2,306,750**	**$2,306,750**	**$0**
12990100 - NON-DEPARTMENTAL						
77 - DEBT SERVICES		0	0	0	0	
78 - TRANSFER TO FUNDS	607,767	684,439	684,439	703,521	778,521	
12990100 - NON-DEPARTMENTAL Total	**$607,767**	**$684,439**	**$684,439**	**$703,521**	**$778,521**	**$75,000**
Expense Total	**$1,759,164**	**$4,486,398**	**$4,825,398**	**$4,830,152**	**$4,921,829**	**$91,677**
REVENUES OVER/(UNDER) EXPENSES	**1,580,815**	**($1,102,182)**	**($1,380,796)**	**($1,148,255)**	**($1,239,932)**	
BEGINNING FUND BALANCE	***$5,380,219***	***$4,740,813***	***$6,961,034***	***$5,580,238***	***$5,580,238***	
ENDING FUND BALANCE PROJECTED	***$6,961,034***	***$3,638,631***	***$5,580,238***	***$4,431,983***	***$4,340,306***	
Targeted Reserve - 90 Days (25%)	$433,767		$1,189,824	$1,190,996	$1,213,602	
Maximum Reserve - 150 Days (41%)	$722,944		$1,983,040	$1,984,994	$2,022,669	
Excess Amount Over Maximum	$6,238,090		$3,597,197	$2,446,989	$2,317,636	

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

013 - GRANT FUND

PROPOSED BUDGET 2024-2025

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
54 - INTERGOV REVENUES	$218,601	$204,850	$426,975	$200,000
56 - FRANCHISE FEE REV		0	0	0
58 - TRANSFER FROM FUNDS		0	0	0
59 - OTHER SOURCES	4,058	4,675	4,675	4,675
Revenue Total	**$222,659**	**$209,525**	**$431,650**	**$204,675**
Expense				
60 - SALARY AND BENEFITS	$17,857	$0	$0	$0
72 - SUPPLIES & MATERIALS	1,765	6,075	48,627	6,075
73 - CONTRACT & PROF SVCS	69,637	200,000	229,252	200,000
74 - MAINT & REPAIR SVCS		0	40,331	0
75 - UTILITIES	2,570	3,500	3,500	3,500
76 - CAPITAL OUTLAY		0	175,088	0
78 - TRANSFER TO FUNDS		0	0	0
79 - OTHER FINANCING USES	657	5,807	14,282	5,807
Expense Total	**$92,486**	**$215,382**	**$511,079**	**$215,382**
REVENUES OVER/(UNDER) EXPENSES	**$130,173**	**($5,857)**	**($79,429)**	**($10,707)**
BEGINNING FUND BALANCE	***$149,151***	***$128,879***	***$279,324***	***$199,895***
ENDING FUND BALANCE PROJECTED	***$279,324***	***$123,022***	***$199,895***	***$189,188***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

015 - DRAINAGE FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
55 - INTEREST	0	$200	$200	0
57 - CHARGES FOR SERVICES	741,746	780,000	780,000	1,050,000
59 - OTHER SOURCES		0	0	0
Revenue Total	**$741,746**	**$780,200**	**$780,200**	**$1,050,000**
Expense				
15000100 - DRAINAGE ADMIN				
60 - SALARY AND BENEFITS	$3,174	$146,942	$116,942	$0
72 - SUPPLIES & MATERIALS	8,051	20,415	20,415	19,735
73 - CONTRACT & PROF SVCS	62,607	138,653	168,653	151,658
74 - MAINT & REPAIR SVCS	3,528	8,000	8,000	10,000
75 - UTILITIES	109	168	168	215
76 - CAPITAL OUTLAY	0	0	0	0
79 - OTHER FINANCING USES	0	6,760	6,760	5,210
15050000 - DRAINAGE CIP				
73 - CONTRACT & PROF SVCS	0	0	250,000	0
76 - CAPITAL OUTLAY	249,157	785,060	1,918,985	745,000
Expense Total	**$326,626**	**$1,105,998**	**$2,489,923**	**$931,818**
REVENUES OVER/(UNDER) EXPENSES	**415,120**	**($325,798)**	**($1,709,723)**	**118,182**
BEGINNING FUND BALANCE	***$1,598,060***	***$511,620***	***$2,013,180***	***$303,458***
ENDING FUND BALANCE PROJECTED	***$2,013,180***	***$185,822***	***$303,458***	***$421,640***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

415 - FLEET ROTATION FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
505106 - MONEY MARKET INTEREST		0	0	0
509201 - INSURANCE RECOVERY	29,295	0	0	0
514107 - GENERAL FUND CONTRIBUTIONS	828,970	711,228	711,228	711,227
514108 - UTILITY FUND CONTRIBUTIONS	160,528	287,203	287,203	290,329
514110 - EDC FUND CONTRIBUTIONS	3,806	6,344	6,344	6,344
514111 - SANITATION FUND CONTRIBUTIONS	10,623	17,705	17,705	18,914
Revenue Total	**$1,079,818**	**$1,022,480**	**$1,022,480**	**$1,026,814**
Expense				
700884 - OTHER EQUIPMENT		0	0	0
700885 - MOTOR VEHICLES	1,162,956	2,023,884	3,273,884	1,025,000
Expense Total	**$1,162,956**	**$2,023,884**	**$3,273,884**	**$1,025,000**
REVENUES OVER/(UNDER) EXPENSES	**($83,138)**	**($1,001,404)**	**($2,251,404)**	**1,814**
BEGINNING FUND BALANCE	***$2,351,202***	***$2,442,198***	***$2,268,064***	***$16,660***
ENDING FUND BALANCE PROJECTED	***$2,268,064***	***$1,440,794***	***$16,660***	***$18,474***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

017 - UTILITY CAPITAL PROJECTS

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
508201 - FEDERAL GRANTS	0	0	149,340	0
509102 - GAIN/ LOSS ON SALE FIXED ASSET	(44,463)	0	0	0
509902 - DONATED CAPITAL CONTRIBUTIONS		0	0	0
580500 - BOND PROCEEDS	0	4,500,000	0	0
599002 - TRANS FROM UTILITY FUND-002	5,000,000	2,000,000	5,000,000	5,250,000
Revenue Total	**$4,955,538**	**$6,500,000**	**$5,149,340**	**$5,250,000**
Expense				
700450 - CONTRACTUAL SERVICES		$0	$207,000	$200,000
700883 - CAPITAL FURNITURE & EQUIPMENT	0	0	579,469	0
700884 - OTHER EQUIPMENT		0	0	0
708101 - RIGHT OF WAY ACQUISITION		0	0	0
708102 - CONSTRUCTION	4,900,992	6,477,978	7,031,108	4,968,719
708103 - PROFESSIONAL FEES	32,450	0	0	0
708104 - LABORATORY TESTING	0	0	0	0
Expense Total	**$4,933,443**	**$6,477,978**	**$7,817,577**	**5,168,719**
REVENUES OVER/(UNDER) EXPENSES	**22,095**	**22,022**	**($2,668,237)**	**81,281**
BEGINNING WORKING CAPITAL BALANCE	***$2,623,802***	***$743,718***	***$2,645,897***	***-$22,340***
ENDING WORKING CAPITAL BALANCE PROJECTED	***$2,645,897***	***$765,740***	***-$22,340***	***$58,941***

EXHIBIT A

019 - SANITATION FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
Revenue						
019 - SANITATION NON-ORG						
55 - INTEREST	0	$500	$500	$500	$500	
56 - FRANCHISE FEE REV	280,860	230,000	230,000	230,000	230,000	
57 - CHARGES FOR SERVICES	4,343,591	4,456,118	4,456,118	4,598,913	4,598,913	
59 - OTHER SOURCES		0	0	0	0	
Revenue Total	**$4,624,451**	**$4,686,618**	**$4,686,618**	**$4,829,413**	**$4,829,413**	**0**
Expense						
78 - TRANSFER TO FUNDS	150,000	200,000	200,000	200,000	200,000	
019 - SANITATION NON-ORG Total	**$150,026**	**$200,000**	**$200,000**	**$200,000**	**$200,000**	**$0**
19011000 - SANITATION ADMIN						
60 - SALARY AND BENEFITS	$64,644	$72,393	$72,393	$75,592	$77,452	$1,860
72 - SUPPLIES & MATERIALS	290	298	298	500	500	
73 - CONTRACT & PROF SVCS	3,773,933	4,088,902	4,088,302	4,213,775	4,213,775	
74 - MAINT & REPAIR SVCS		0	0	0	0	
75 - UTILITIES	235	356	356	356	356	
76 - CAPITAL OUTLAY		0	0	0	0	
78 - TRANSFER TO FUNDS		0	0	0	0	
79 - OTHER FINANCING USES	1,182	600	1,200	1,450	1,450	
19011000 - SANITATION ADMIN Total	**$3,840,284**	**$4,162,549**	**$4,162,549**	**$4,291,673**	**$4,293,533**	**$1,860**
19012000 - LITTER CONTROL CREW						
60 - SALARY AND BENEFITS	$233,881	$239,688	$239,688	$251,671	$258,446	$6,775
72 - SUPPLIES & MATERIALS	17,382	17,275	17,275	21,035	21,035	
73 - CONTRACT & PROF SVCS	3,056	3,655	3,655	15,655	15,655	
74 - MAINT & REPAIR SVCS	4,959	10,000	10,000	10,500	10,500	
76 - CAPITAL OUTLAY		0	0	0	0	
78 - TRANSFER TO FUNDS	10,623	17,705	17,705	18,914	18,914	
79 - OTHER FINANCING USES		0	0	0	0	
19012000 - LITTER CONTROL CREW Total	**$269,900**	**$288,323**	**$288,323**	**$317,775**	**$324,550**	**$6,775**
Expense Total	**$4,260,210**	**$4,650,872**	**$4,650,872**	**$4,809,448**	**$4,818,083**	**$8,635**
REVENUES OVER/(UNDER) EXPENSES	**$364,242**	**$35,746**	**$35,746**	**$19,965**	**$11,330**	
BEGINNING WORKING CAPITAL BALANCE	***$565,884***	***$635,552***	***$930,126***	***$965,872***	***$965,872***	
ENDING WORKING CAPITAL BALANCE PROJECTED	***$930,126***	***$671,298***	***$965,872***	***$985,836***	***$977,201***	
Targeted Reserve - 90 Days (25%)	$1,050,463	$1,146,790	$1,146,790	$1,185,891	$1,188,020	
Maximum Reserve - 150 Days (41%)	$1,750,771	$1,911,317	$1,911,317	$1,976,485	$1,980,034	
Amount under target	-$120,337	-$475,492	-$180,919	-$200,055	-$210,819	

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

456 - FIELDHOUSE

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL	PROPOSED BUDGET FY 24-25 09.05.24	$$ VARIANCE
Revenue						
53 - FINES & FEES	$600	$0	$0	$0	$0	
57 - CHARGES FOR SERVICES	1,272,001	1,387,500	1,387,500	1,443,700	1,443,700	
58 - TRANSFER FROM FUNDS	533,775	538,625	538,625	537,950	537,950	
59 - OTHER SOURCES	196,816	170,500	170,500	159,000	159,000	
Revenue Total	**$2,003,192**	**$2,096,625**	**$2,096,625**	**$2,140,650**	**$2,140,650**	
Expense						
60 - SALARY AND BENEFITS	$569,157	$573,012	$573,012	$622,032	$631,291	$9,259
72 - SUPPLIES & MATERIALS	236,098	292,354	285,354	287,695	287,695	
73 - CONTRACT & PROF SVCS	389,940	445,774	452,774	412,144	412,144	
74 - MAINT & REPAIR SVCS	44,223	44,754	44,754	48,754	48,754	
75 - UTILITIES	110,996	118,564	118,564	115,863	115,863	
77 - DEBT SERVICES	540,532	539,125	539,125	538,450	538,450	
78 - TRANSFER TO FUNDS	3,900	3,900	3,900	0	0	
79 - OTHER FINANCING USES	621	2,450	2,450	2,450	2,450	
Expense Total	**$1,895,468**	**$2,019,933**	**$2,019,933**	**$2,027,388**	**$2,036,647**	**$9,259**
REVENUES OVER/(UNDER) EXPENSES	**107,724**	**76,692**	**76,692**	**113,262**	**104,003**	
BEGINNING WORKING CAPITAL BALANCE	***($1,873,822)***	***($1,373,554)***	***($1,766,098)***	***($1,689,405)***	***($1,689,405)***	
ENDING WORKING CAPITAL BALANCE PROJECTED	***($1,766,098)***	***($1,296,862)***	***($1,689,405)***	***($1,576,143)***	***($1,585,402)***	

Ending Fund Balance per FY 22 Annual Financial Report

Working Capital for the purpose of the "fund balance" is Current Assets minus Current Liabilities.

EXHIBIT A

410 - IT REPLACEMENT

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
514107 - GENERAL FUND CONTRIBUTIONS	$139,053	$141,489	$141,489	0
514108 - UTILITY FUND CONTRIBUTIONS	8,320	8,320	8,320	0
514110 - EDC FUND CONTRIBUTIONS	1,220	1,220	1,220	0
514113 - FIELDHOUSE FUND CONTRIBUTIONS	3,900	3,900	3,900	0
Revenue Total	**$152,493**	**$154,929**	**$154,929**	**$0**
Expense				
700200 - AUDIO/VIDEO EQUIP & TOOLS		$0	$50,000	$0
700224 - MINOR TOOLS		0	0	0
700232 - COMPUTER HARDWARE	185,207	152,700	152,700	132,275
700233 - COMPUTER SOFTWARE		0	0	0
Expense Total	**$185,207**	**$152,700**	**$202,700**	**$132,275**
REVENUES OVER/(UNDER) EXPENSES	**($32,714)**	**$2,229**	**($47,771)**	**($132,275)**
BEGINNING FUND BALANCE	***$226,667***	***$114,797***	***$193,953***	***$146,182***
ENDING FUND BALANCE PROJECTED	***$193,953***	***$117,026***	***$146,182***	***$13,907***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

033 - TAX INCREMENT FINANCING FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
58 - TRANSFER FROM FUNDS	$97,937	$96,958	$96,958	$172,198
Revenue Total	**$97,937**	**$96,958**	**$96,958**	**$172,198**
Expense				
72 - SUPPLIES & MATERIALS	$0	$200	$200	$200
73 - CONTRACT & PROF SVCS	0	2,550	2,550	2,550
76 - CAPITAL OUTLAY	0	79,500	79,500	0
Expense Total	**$0**	**$82,250**	**$82,250**	**$2,750**
REVENUES OVER/(UNDER) EXPENSES	**$97,937**	**$14,708**	**$14,708**	**$169,448**
BEGINNING FUND BALANCE	***$411,996***	***$426,704***	***$509,933***	***$524,641***
ENDING FUND BALANCE PROJECTED	***$509,933***	***$441,412***	***$524,641***	***$694,089***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

041 - ONE-TIME PROJECTS

ADOPTED BUDGET - FY 2023-2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
58 - TRANSFER FROM FUNDS	0	$0	$0	0
Revenue Total	**$0**	**$0**	**$0**	**$0**
Expense				
72 - SUPPLIES & MATERIALS		0	0	0
73 - CONTRACT & PROF SVCS	18,098	0	0	0
74 - MAINT & REPAIR SVCS		0	0	0
76 - CAPITAL OUTLAY	1,516,774	0	1,001,826	0
78 - TRANSFER TO FUNDS	0	0	0	0
Expense Total	**$1,534,872**	**0**	**1,001,826**	**$0**
REVENUES OVER/(UNDER) EXPENSES	**($1,534,872)**	**($0)**	**($1,001,826)**	**($0)**
BEGINNING FUND BALANCE *	***$3,008,977***	***$90,428***	***$1,474,105***	***$472,279***
ENDING FUND BALANCE PROJECTED	***$1,474,105***	***$90,428***	***$472,279***	***$472,279***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

050 - ASSET FORFEITURE

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
54 - INTERGOV REVENUES	$634,653	$36,800	$3,365,536	$36,800
58 - TRANSFER FROM FUNDS	151,474	0	0	0
59 - OTHER SOURCES		0	0	0
Revenue Total	**$786,127**	**$36,800**	**$3,365,536**	**$36,800**
Expense				
72 - SUPPLIES & MATERIALS	$1,821	$0	$0	$0
73 - CONTRACT & PROF SVCS	0	0	0	0
74 - MAINT & REPAIR SVCS		0	0	0
75 - UTILITIES		0	0	0
76 - CAPITAL OUTLAY		0	0	0
78 - TRANSFER TO FUNDS	205,905	0	0	0
79 - OTHER FINANCING USES	117,228	141,372	1,195,036	566,500
Expense Total	**$324,954**	**$141,372**	**$1,195,036**	**$566,500**
REVENUES OVER/(UNDER) EXPENSES	**461,173**	**($104,572)**	**2,170,500**	**($529,700)**
BEGINNING FUND BALANCE	***$389,118***	***$273,649***	***$850,291***	***$3,020,791***
ENDING FUND BALANCE PROJECTED	***$850,291***	***$169,077***	***$3,020,791***	***$2,491,091***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

215 - PEG FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
55 - INTEREST	$0	$0	$0	$0
56 - FRANCHISE FEE REV	15,385	95,000	45,000	45,000
58 - TRANSFER FROM FUNDS		0	0	0
Revenue Total	**$15,385**	**$95,000**	**$45,000**	**$45,000**
Expense				
72 - SUPPLIES & MATERIALS	$142,247	$20,000	$10,000	$50,000
76 - CAPITAL OUTLAY	0	0	0	0
Expense Total	**$142,247**	**$20,000**	**$10,000**	**$50,000**
REVENUES OVER/(UNDER) EXPENSES	**($126,863)**	**$75,000**	**$35,000**	**($5,000)**
BEGINNING FUND BALANCE	***$141,010***	***$156,110***	***$14,147***	***$49,147***
ENDING FUND BALANCE PROJECTED	***$14,147***	***$231,110***	***$49,147***	***$44,147***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

025 - ALLEY IMPROVEMENT FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
58 - TRANSFER FROM FUNDS	150,000	200,000	200,000	200,000
Revenue Total	**$150,000**	**200,000**	**200,000**	**$200,000**
Expense				
73 - CONTRACT & PROF SVCS	0	0	0	0
76 - CAPITAL OUTLAY	64,216	114,508	405,294	453,408
Expense Total	**$64,216**	**114,508**	**405,294**	**$453,408**
REVENUES OVER/(UNDER) EXPENSES	**$85,784**	**85,492**	**205,294**	**($253,408)**
BEGINNING FUND BALANCE	***$346,847***	***$216,904***	***$432,631***	***$227,337***
ENDING FUND BALANCE PROJECTED	***$432,631***	***$302,396***	***$227,337***	***-$26,071***

EXHIBIT A

COURT FUNDS

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

225 - COURT SECURITY	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
53 - FINES & FEES	$8,420	$8,000	$8,000	$8,000
55 - INTEREST	0	0	0	0
Revenue Total	**$8,420**	**$8,000**	**$8,000**	**$8,000**
Expense				
60 - SALARY AND BENEFITS	$220	$0	$0	$0
72 - SUPPLIES & MATERIALS		0	1,196	0
73 - CONTRACT & PROF SVCS		0	0	0
76 - CAPITAL OUTLAY		0	0	0
Expense Total	**220**	**0**	**1,196**	**0**
REVENUES OVER/(UNDER) EXPENSES	**$8,200**	**$8,000**	**$6,804**	**$8,000**
BEGINNING FUND BALANCE	***$55,577***	***$65,577***	***$63,776***	***$70,581***
ENDING FUND BALANCE PROJECTED	***$63,776***	***$73,577***	***$70,581***	***$78,581***

230 - JUVENILE CASE MANAGER	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
53 - FINES & FEES	$9,296	$8,000	$8,000	$8,000
55 - INTEREST	0	0	0	0
Revenue Total	**$9,296**	**$8,000**	**$8,000**	**$8,000**
Expense				
60 - SALARY AND BENEFITS	$522	$0	$0	$0
72 - SUPPLIES & MATERIALS	100	250	250	750
73 - CONTRACT & PROF SVCS	0	0	0	0
78 - TRANSFER TO FUNDS	9,000	7,000	7,000	6,000
79 - OTHER FINANCING USES	320	750	750	750
Expense Total	**$9,942**	**$8,000**	**$8,000**	**$7,500**
REVENUES OVER/(UNDER) EXPENSES	**645.91**	**0**	**0**	**-500**
BEGINNING FUND BALANCE	***$369***	***$1,494***	***($276)***	***($276)***
ENDING FUND BALANCE PROJECTED	***($276)***	***$1,494***	***($276)***	***$224***

235 - COURT TECHNOLOGY	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
53 - FINES & FEES	$7,072	$7,500	$7,500	$7,500
55 - INTEREST	0	0	0	0
Revenue Total	**$7,072**	**$7,500**	**$7,500**	**$7,500**
Expense				
72 - SUPPLIES & MATERIALS		$0	$0	$0
73 - CONTRACT & PROF SVCS		$0	$0	$0
74 - MAINT & REPAIR SVCS		$250	$250	$250
Expense Total		**($250)**	**($250)**	**($250)**
REVENUES OVER/(UNDER) EXPENSES	**-7072.09**	**-7250**	**-7250**	**-7250**
BEGINNING FUND BALANCE	***$42,108***	***$54,608***	***$49,180***	***$56,430***
ENDING FUND BALANCE PROJECTED	***$49,180***	***$61,858***	***$56,430***	***$63,680***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

758 - AMERICAN RESCUE PLAN

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
54 - INTERGOV REVENUES	$4,460,523	$0	$0	$0
55 - INTEREST	152,084	0	0	0
58 - TRANSFER FROM FUNDS		0	0	0
Revenue Total	**$4,612,607**	**$0**	**$0**	**$0**
Expense				
60 - SALARY AND BENEFITS		0	0	0
72 - SUPPLIES & MATERIALS	(18,421)	1,230,000	485,770	0
73 - CONTRACT & PROF SVCS	93,847	0	119,126	0
76 - CAPITAL OUTLAY	4,602,381	0	2,162,862	500,000
78 - TRANSFER TO FUNDS		0	0	0
79 - OTHER FINANCING USES	207,537	301,250	70,000	0
Expense Total	**$4,885,345**	**$1,531,250**	**$2,837,758**	**$500,000**
REVENUES OVER/(UNDER) EXPENSES	**($272,738)**	**($1,531,250)**	**($2,837,758)**	**($500,000)**
BEGINNING FUND BALANCE	***$7,703,963***	***$1,627,497***	***$2,970,703***	***$132,945***
ENDING FUND BALANCE PROJECTED	***$2,970,703***	***$96,217***	***$132,945***	***-$367,055***

Ending Fund Balance per FY 22 Annual Financial Report

EXHIBIT A

020 - STREET/ALLEY CIP FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
54 - INTERGOV REVENUES	$0	91,000	91,000	$0
55 - INTEREST		0	0	0
58 - TRANSFER FROM FUNDS	585,000	99,000	99,000	100,000
59 - OTHER SOURCES		0	0	0
Revenue Total	**$585,000**	**190,000**	**190,000**	**$100,000**
Expense				
73 - CONTRACT & PROF SVCS	660	0	0	0
76 - CAPITAL OUTLAY	496,748	600,000	1,194,773	50,000
Expense Total	**$497,408**	**600,000**	**1,194,773**	**$50,000**
REVENUES OVER/(UNDER) EXPENSES	**$87,592**	**410,000**	**($1,004,773)**	**$50,000**
BEGINNING FUND BALANCE	***$894,875***	***$443,608***	***$982,467***	***-$22,306***
ENDING FUND BALANCE PROJECTED	***$982,467***	***$33,608***	***($22,306)***	***$27,694***

EXHIBIT A

024 - PARK CAPITAL IMPROV FUND

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
54 - INTERGOV REVENUES		$750,000	$750,000	$0
58 - TRANSFER FROM FUNDS	494,415	$0.00	$0.00	0
59 - OTHER SOURCES		$0.00	$0.00	0
Revenue Total	**$494,415**	**$750,000**	**$750,000**	**$0**
Expense				
76 - CAPITAL OUTLAY	1,138,029	$3,513,275	$2,600,000	3,484,054
Expense Total	**$1,138,029**	**$3,513,275**	**$2,600,000**	**$3,484,054**
REVENUES OVER/(UNDER) EXPENSES	**($643,614)**	**($2,763,275)**	**($1,850,000)**	**($3,484,054)**
BEGINNING FUND BALANCE	***$5,241,043***	***$535,458***	***$4,597,429***	***$2,747,429***
ENDING FUND BALANCE PROJECTED	***$4,597,429***	***($2,227,817)***	***$2,747,429***	***($736,625)***

EXHIBIT A

026 - CAPITAL IMPROVEMENT PROJECTS

PROPOSED BUDGET 2024-2025 WITH PROPOSED CHANGES 09.05.2024

	UNAUDITED ACTUAL FY 22-23	ADOPTED BUDGET FY 23-24	REVISED BUDGET FY 23-24	PROPOSED BUDGET FY 24-25 ORIGINAL
Revenue				
55 - INTEREST	587,700	0	0	0
58 - TRANSFER FROM FUNDS	0	0	0	0
59 - OTHER SOURCES		0	0	0
Revenue Total	**$587,700**	**0**	**0**	**$0**
Expense				
73 - CONTRACT & PROF SVCS	117,114	0	0	0
76 - CAPITAL OUTLAY	5,785,920	5,075,000	715,069	3,897,200
77 - DEBT SERVICES		0	0	0
78 - TRANSFER TO FUNDS	494,415	0	0	0
Expense Total	**$6,397,448**	**5,075,000**	**715,069**	**$3,897,200**
REVENUES OVER/(UNDER) EXPENSES	**($5,809,749)**	**5,075,000**	**($715,069)**	**($3,897,200)**
BEGINNING FUND BALANCE	***$12,937,796***	***$3,941,617***	***$7,128,047***	***$6,412,978***
ENDING FUND BALANCE PROJECTED	***$7,128,047***	***($1,133,383)***	***$6,412,978***	***$2,515,778***

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider an Ordinance of the City of Duncanville, Texas, levying Ad Valorem Taxes for the Year 2024 at a rate of $0.614834 per one hundred dollars ($100.00) assessed valuation on all taxable property within the corporate limits of the City of Duncanville as of January 1, 2024, to provide revenues for current expenses and interest and sinking fund requirements.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
Jennifer Otey, Budget Administrator

BACKGROUND/HISTORY:
A Public Hearing will be held on September 17, 2024, regarding the proposed tax rate of $0.614834, which is a decrease of $0.031200 or -4.83% from the 2023 adopted tax rate. Dallas County provided the City with the tax rate calculations. The worksheet is attached to the ordinance. It is important to note that even though the tax rate is being reduced, the total property tax revenue for the City is increasing by $934,496 or 4.03% compared to the prior year. The tax laws require the language used in the motion to state the property tax rate be increased by the adoption of a tax rate of $0.614834, which is effectively a 4.63 percent increase in the tax rate. The 4.63% increase is calculated from the No-New-Revenue Rate of $0.587621 compared to the proposed tax rate.

POLICY EXPLANATION:
Texas Tax Code Section 26.05(d) requires local governments to hold a public hearing when the proposed tax rate exceeds the lower of the No-New-Revenue (NNR) tax rate or the Voter-Approval (VA) tax rate. Even when the tax rate is not changed, if taxable property values increase from the prior year, there are more revenues from taxes (effectively) in the current proposed year versus the prior year. The tax rate being adopted is lower than the previous year, yet effectively there is an increase in revenue due to the increased taxable valuations. The required motion to adopt the tax rate is stated below. Furthermore, Truth In Taxation rules require the calculations and disclosures above based on the effective increase (positive percentage based on increased taxable valuations) and contained in Section 2 of the attached ordinance. The effect of lowering the City tax rate by $0.031200 from 2023 taxes is reflected in the Maintenance and Operations tax decrease of $28.07 when applied to a fixed value, in this case, a $100,000 home, as stipulated by state law.

MOTION:
I move the property tax rate be increased by the adoption of a tax rate of $0.614834, which is effectively a 4.63 percent increase in the tax rate.

FUNDING SOURCE:

ORG and Object Number
NA

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:

1. Approve the tax rate.
2. Other actions as directed by Council.

ATTACHMENTS:
Ordinance No. - 2524 - Levying Ad Valorem Taxes for the Year 2024 - Pdf

ORDINANCE NO. 2524

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS, LEVYING AD VALOREM TAXES FOR THE YEAR 2024 AT A RATE OF $0.614834 PER ONE HUNDRED DOLLARS ($100.00) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY AS OF JANUARY 1, 2024, TO PROVIDE REVENUES FOR CURRENT EXPENSES AND INTEREST AND SINKING FUND REQUIREMENTS; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; AND, DECLARING AN EFFECTIVE DATE.

WHEREAS, the City has approved and adopted a budget in accordance with state law and the Home Rule Charter for the maintenance and operation and debt service obligations of the municipal government for fiscal year 2024-2025; and

WHEREAS, the City Council shall provide for the revenues for said budget by a levy of ad valorem property taxes; and

WHEREAS, the required notices and public hearings have been held under state law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. That there be and is hereby levied for the year 2024 on all taxable property, real, personal, and mixed, situated within the limits of the City of Duncanville, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of $0.614834 on each One Hundred Dollars ($100.00) assessed value of taxable property, and shall be appropriated and distributed as follows:

(a) For the PURPOSE of defraying the current expenses for maintenance and operations of the municipal government of the City, a tax of $0.577487 on each One Hundred Dollars ($100.00) assessed value of all taxable property. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

(b) For the PURPOSE of creating a sinking fund to pay the interest and principal on all outstanding bonds of the City, not otherwise provided for, a tax of $0.037347 on each One Hundred Dollars ($100.00) assessed value of all taxable property, within the City which shall be applied to the payment of such interest and maturates of all outstanding bonds. THIS TAX RATE WILL RAISE MORE TAXES FOR INTEREST AND SINKING THAN LAST YEAR'S TAX RATE.

(c) THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY

BE RAISED BY 4.07 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY $-28.07.

SECTION 2. That all ad valorem taxes for the year shall become due and payable on October 1, 2024, and all ad valorem taxes for the year shall become delinquent after January 31, 2025. A delinquent tax shall incur all penalty and interest authorized by law (Section 33.01, et. seq., Texas Property Tax Code), to wit:

(a) a penalty of six percent of the amount of the tax for the first calendar month it is delinquent plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.

(b) Provided, however, a tax delinquent on July 1, incurs a total penalty of twelve percent (12%) of the amount of the delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at a rate of one percent for each month or portion of a month the tax remains unpaid. An additional penalty on delinquent personal property taxes for tax years 2024 and subsequent years is hereby authorized and imposed as provided by Section 33.11. TEXAS PROPERTY TAX CODE, in the amount of twenty percent (20%) of the delinquent tax, penalty, and interest if tax becomes delinquent on February 1 of a year and remains delinquent on the 60th day thereafter. Taxes that remain delinquent on July 1, 2025, incur an additional penalty of twenty percent (20%) of the amount of taxes, penalty, and interest due; such additional penalty is to defray costs of collection due to the contract with the City's Attorney pursuant to section 6.30 and Section 33.07 of the Property Tax Code, as amended. Taxes for the year 2024 and taxes for all future years that remain delinquent on or after June 1 under Texas Property Tax Code Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032 or 31.04 incur an additional penalty in an amount not to exceed twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 3.30 and Section 33.08, as amended.

SECTION 3. Taxes are payable to Dallas County, Texas, at the office of the Tax Assessor/Collector. The City shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 4. That the tax rolls, as presented to the City Council together with any supplement thereto, be, and the same are hereby approved.

SECTION 5. The fact that it is necessary that this ordinance be enacted in order to authorize the collection of ad valorem taxes for the tax year 2024, this ordinance shall take effect from and after its passage as the law in such cases provides.

DULY ORDAINED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
City of Duncanville

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No-New-Revenue Tax Rate Worksheet.	$3,599,948,393
2. Last year's M&O tax rate. Enter Line 28 of the Voter-Approval Tax Rate Worksheet.	$0.605557/$100
3. M&O taxes refunded for years preceding tax year 2023. Enter Line 31A of the Voter-Approval Tax Rate Worksheet.	$56,962
4. TIF Adjustment. Enter Line 31B of the Voter-Approval Tax Rate Worksheet.	$139,137
5. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3 and subtract line 4.	$21,717,564
6. This year's total taxable value. Enter line 21 of the No-New-Revenue Tax Rate Worksheet.	$3,921,143,555
7. This year's proposed M&O tax rate. Enter the proposed M&O tax rate approved by the Governing Body.	$0.577487/$100
8. This year's M&O tax levy. Multiply line 6 times line 7 and divide by 100.	$22,644,094
9. M&O Tax Increase (Decrease). Subtract line 5 from line 8.	$926,530
Comparison of Total Tax Rates	
10. No-New-Revenue Total Tax Rate.	$0.587621/$100
11. This year's proposed total tax rate.	$0.614834/$100
12. This year's rate minus No-New-Revenue rate. Subtract line 10 from line 11.	$0.027213
13. Percentage change in total tax rate. Divide Line 12 by line 10.	4.63%
Comparison of M&O Tax Rates	
14. No-New-Revenue M&O Tax Rate. Enter line 39 of the Voter-Approval Tax Rate Worksheet.	$0.554877/$100
15. This year's proposed M&O tax rate.	$0.577487/$100
16. This year's rate minus No-New-Revenue rate. Subtract line 14 from line 15.	$0.022610
17. Percentage change in M&O tax rate. Divide line 16 by line 14.	4.07%
Raised M&O Taxes on a $100,000 Home	
18. This year's taxable value on a $100,000 home.	$100,000
19. Last year's M&O tax rate.	$0.605557/$100
20. This year's proposed M&O tax rate.	$0.577487/$100
21. This year's raised M&O taxes. Subtract line 19 from line 20 and multiply result by line 18.	$-28.07

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider an Ordinance ratifying the Fiscal Year 2024-2025 Budget which raises more revenue from property tax than in the previous year.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
Jennifer Otey, Budget Administrator

BACKGROUND/HISTORY:
The adoption of the budget must be ratified if the tax rate incorporated raises more revenue from property tax than in the previous fiscal year.

POLICY EXPLANATION:
Section 102.007(c) of the Texas Government Code requires a ratification vote on a budget that will raise more revenue from property taxes than the previous year. This vote must be separate from the adoption of the budget or tax rate.

Simply translated, the state law requires municipalities to approve an ordinance ratifying a budget that generates more revenue from property taxes than the previous year. Because the City of Duncanville has experienced an increase in its property valuations, and the tax rate is higher than the No-New-Revenue rate, new revenue will be generated from taxes. Therefore, this ordinance must be approved in compliance with state law.

FUNDING SOURCE:

ORG and Object Number
NA

Available Budget	Purchase Amount	After Encumber
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
1. Approve the ordinance.
2. Other actions directed by Council.

ATTACHMENTS:
Ordinance No. - 2525 - Ratification of FY 2024-2025 Budget - Pdf

ORDINANCE NO. 2525

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, RATIFYING THE FISCAL YEAR 2024-2025 BUDGET WHICH RAISES MORE REVENUE FROM PROPERTY TAX THAN IN THE PREVIOUS FISCAL YEAR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, following public notice duly posted and published in all things as required by law, a public hearing was held, by and before the City Council of the City of Duncanville on September 3, 2024, the subject of which was the proposed budget for the City of Duncanville for Fiscal Year 2024-2025; and

WHEREAS, Section 102.007(c) of the Texas Local Government Code requires a budget that will raise more revenue from property taxes than the previous year be ratified by a separate vote from the adoption of the budget or tax rate.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council does hereby ratify the adoption of a budget for Fiscal Year 2024-2025 which will raise more revenue from property taxes than the previous year.

SECTION 2. This Ordinance shall become effective immediately from and after its passage, as the law and charter in such cases provides.

DULY ORDAINED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Civil Service Ordinance amending the pay plan

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
Jennifer Otey, Budget Administrator
Ashley Jacobs, Human Resources Director/Civil Service Director

BACKGROUND/HISTORY:
Any changes made to Civil Service classifications, position numbers, or pay must be approved by ordinance by the City Council per §143.021 of the Texas Local Government Code. This Ordinance will amend the pay plan for Police and Fire, effective October 1, 2024, in conjunction with the FY 2024-2025 Budget. Police and Fire will receive a 2% pay adjustment and therefore the plan reflected in the ordinance needs to be adjusted accordingly.

POLICY EXPLANATION:
Per Texas Local Government Code §143.021, the commission shall provide for the classification of all fire fighters and police officers. However, the municipality's governing body shall establish the classifications by ordinance. The governing body by ordinance shall prescribe the number of positions in each classification. The cost centers include Police and Fire Department organization codes and the various salary account line items.

FUNDING SOURCE:

ORG and Object Number
General Fund

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
1. Approve
2. Do not approve
3. Other action as directed by the Council

ATTACHMENTS:
Ordinance No. - 2526 Civil Service - Pay Plan Update

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS

ORDINANCE NO. 2526

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS, CREATING CLASSIFIED POSITIONS UNDER CIVIL SERVICE IN THE POLICE AND FIRE DEPARTMENTS; PROVIDING FOR A PAY SCALE UNDER CIVIL SERVICE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND, PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE, AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The classified positions under Civil Service in the Police Department shall be as follows:

P1	Assistant Chief (appointed)	2
P2	Police Lieutenant	5
P3	Police Sergeant	6
P4	Police Patrol Officer	50

SECTION 2. The classified positions under Civil Service in the Fire Department shall be as follows:

F1	Assistant Fire Chief (appointed)	1
F2	Division Chief – EMS	1
F3	Battalion Chief	3
F3	Fire Marshal/Battalion Chief	1
F4	Fire Captain	6
F4	Fire Captain – Fire Prevention	1
F5	Fire Engineer	6
F6	Fire Fighter	33

SECTION 3. The annual pay scale for each of the above-captioned classified positions shall be as follows:

POLICE DEPARTMENT

Time in Position with Duncanville

		START	1 YR	2 YR	3 YR	4 YR	5 YR	6 YR
P1	Assistant Police Chief	$ 144,529	149,545					
P2	Police Lieutenant	$ 110,835	114,160	117,585	121,113			
P3	Police Sergeant	$ 93,840	97,594	101,497	105,557			
P4	Police Officer (No Previous Experience)	$ 68,340	70,390	72,502	74,677	82,145	86,252	91,800
P4	Police Officer (1 year Credited Previous Experience)	$ 70,390	72,502	74,677	82,145	86,252	91,800	
P4	Police Officer (2 year Credited Previous Experience)	$ 72,502	74,677	82,145	86,252	91,800		
P4	Police Officer (3 year Credited Previous Experience)	$ 74,677	82,145	86,252	91,800			
P4	Police Officer (4 year Credited Previous Experience)	$ 82,145	86,252	91,800				
P4	Police Officer (5 year Credited Previous Experience)	$86,252	91,800					

Credited Previous Experience shall be defined as one year of credited experience for every full year actively employed as a full-time law enforcement officer in a municipality with a population of 30,000 or more, a county with a population of 125,000 or more or a state law enforcement agency, not to exceed five years of Credited Previous Experience.

Credited Previous Experience shall also be defined as one year of credited experience for every two full years actively employed as a full-time law enforcement officer in a municipality with a population of less than 30,000 or a county with a population of less than 125,000, not to exceed five years of Credited Previous Experience.

Credited Previous Experience shall also be defined as one year of credited experience for every two full years actively employed as a full-time law enforcement officer with any TCOLE certified organization other than a municipal police organization or a county sheriff's office

Police applicants with a minimum of one year full-time prior service as a police officer must possess a TCOLE license and/or have taken and passed the TCOLE state licensing exam to qualify for Credited Previous Experience and be placed in the current pay grade of the Duncanville Police Department compensation plan.

Credited Previous Experience will not apply if more than three years have passed since the most recent qualifying employment.

Population figures shall be based on current information from the UTSA Texas State Data Center or the latest United States census information if outside Texas.

FIRE DEPARTMENT

Time in Position with Duncanville

		START	1 YR	2 YR	3 YR	4 YR	5 YR	6 YR
F1	Assistant Fire Chief	$ 144,529	149,545					
F2	Division Chief - EMS	$ 136,887	140,994					
F3	Battalion Chief	$ 123,595	127,303	131,122	135,056			
F3	Fire Marshal/Battalion Chief	$ 123,595	127,303	131,122	135,056			
F4	Fire Captain	$ 107,721	110,953	114,282	117,710			
F4	Fire Captain – Fire Prevention	$ 107,721	110,953	114,282	117,710			
F5	Fire Engineer	$ 95,880	98,277	100,243	102,592			
F6	Firefighter (No Previous Experience)	$ 68,340	70,390	72,502	74,677	82,145	86,252	88,740
F6	Firefighter (1 year Credited Previous Experience)	$ 70,390	72,502	74,677	82,145	86,252	88,740	
F6	Firefighter (2 year Credited Previous Experience)	$ 72,502	74,677	82,145	86,252	88,740		
F6	Firefighter (3 year Credited Previous Experience)	$ 74,677	82,145	86,252	88,740			
F6	Firefighter (4 year Credited Previous Experience)	$ 82,145	86,252	88,740				
F6	Firefighter (5 year Credited Previous Experience)	$ 86,252	88,740					

Credited Previous Experience shall be defined as one year of credited experience for every full year actively employed as a full-time Fire Fighter or Paramedic in a municipality or an Emergency Services District (ESD) with a population of 30,000 or more or a county with a population of 125,000 or more, not to exceed five years of Credited Previous Experience.

Credited Previous Experience shall also be defined as one year of credited experience for every two full years actively employed as a full-time Fire Fighter or Paramedic in a municipality or an Emergency Services District (ESD) with a population of less than 30,000 or a county with a population of less than 125,000, not to exceed five years of Credited Previous Experience.

Fire applicants with a minimum of one year full-time prior service as a Fire Fighter or Paramedic must be certified as a Fire Fighter with the Texas Commission on Fire Protection and/or be certified or have the ability to be certified as an EMT-Paramedic with the Texas Department of State Health Services to qualify for Credited Previous Experience and be placed in the current pay grade of the Duncanville Fire Department compensation plan.

Credited Previous Experience will not apply if more than three years have passed since the most recent qualifying employment.

Population figures shall be based on current information from the UTSA Texas State Data Center or the latest United States Census information if outside Texas.

SECTION 4. That should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole."

SECTION 5. That all Ordinances of the City of Duncanville heretofore adopted which are in conflict with the provisions of the Ordinance be, and the same are hereby repealed.

SECTION 6. That this Ordinance shall take effect on the 1st day of October, 2024.

DULY ORDAINED AND ADOPTED by the City Council of the City of Duncanville, Texas, on September 17, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Approve the FY 2024-2025 Master Fee Schedule

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
Jennifer Otey, Budget Administrator

BACKGROUND/HISTORY:
As a part of building the annual budget, the Master Fee Schedules are reviewed and rates are adjusted accordingly.

POLICY EXPLANATION:
The City Council adopts the Master Fee Schedule each year to ensure fees are updated annually. All changes in fees are notated in the light/blue turquoise column of the attached sheets titled "Proposed Change for FY 24-25".

Proposed changes include:

- Updated Parks and Recreational membership and facility rental fees.
- Updated Building Inspection fees including health inspections, temporary food permits, and temporary workforce housing.
- Updated Water and Sewer Rates in accordance with Ordinance 2230R, adopted on August 16, 2022.
- Updated Garbage Collection Rates to pass along CPI increase.
- Updated Stormwater, also known as Drainage, Fees.
- Updated Towing Fees per towing contract for Police.

FUNDING SOURCE:

ORG and Object Number
NA

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:

1. Approve
2. Do not approve.
3. Other actions as directed by Council.

ATTACHMENTS:

Resolution No. - 2024-325 - Adopting the FY 2024-2025 Master Fee Schedule - Pdf

RESOLUTION NO. 2024-325

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, ADOPTING THE FISCAL YEAR 2024-2025 MASTER FEE SCHEDULE FOR ALL DEPARTMENTS, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN AS EXHIBIT "A"; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, proposed changes to the Master Fee Schedule are incorporated into the proposed FY 2024-2025 budget, and

WHEREAS, the City Council approved the FY 2024-2025 Budget by Ordinance 2523.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. In accordance with the Duncanville Code of Ordinance, as amended, the Master Fee Schedule is hereby approved which is attached hereto and incorporated herein by reference as Exhibit "A".

SECTION 2. That all provisions of the City of Duncanville, Texas, in conflict with the provisions of this Resolution be, and the same are hereby, repealed, and all other provisions not in conflict with the provisions of this Resolution shall remain in full force and effect.

SECTION 3. That should any work, phrase, paragraph, or section of this Resolution be held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Resolution as a whole or any part or provision thereof other than the part so decided to be unconstitutional, illegal or invalid, and shall not affect the validity of the Resolution as a whole.

SECTION 4. That this Resolution shall take effect immediately from and after its passage as the law and charter in such cases provide.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

MASTER FEE SCHEDULE
GENERAL GOVERNMENT

EXHIBIT A

	FEE	BASIS/COMMENTS	Fee Effective 10/1/23	Proposed Change FY 24-25	Proposed Fee 10/01/24
1	**PUBLIC INFORMATION CHARGES**				
2	Copies, standard size	Per page.	$ 0.10		$ 0.10
3	Copies, non-standard size	Per page.	$ 0.50		$ 0.50
4	Disc (CD-RW or CD-R)	Each.	$ 1.00		$ 1.00
5	4 GB Flash drive	Each.	$ 5.00		$ 5.00
6	8 GB Flash drive	Each.	$ 6.00		$ 6.00
7	16 GB Flash drive	Each.	$ 10.00		$ 10.00
8	32 GB Flash drive	Each.	$ 12.00		$ 12.00
9	Digital video disc (DVD)	Each.	$ 3.00		$ 3.00
10	Labor charge	Per hour.	$ 15.00		$ 15.00
11	Overhead charge	Calculated based upon labor charge	20%		20%
12	Miscellaneous supplies		Actual cost		Actual cost
13	Postage and shipping		Actual cost		Actual cost
14	Certification of true copies		$ 2.50		$ 2.50
15	Attestation under Seal of Duncanville		$ 2.50		$ 2.50
16	**DOCUMENTS**				
17	Charter		$ 5.00		$ 5.00
18	Code of Ordinances	Available from Municipal Code Corporation	$ 130.00		$ 130.00

MASTER FEE SCHEDULE
LIBRARY

EXHIBIT A

	FEE	BASIS/COMMENTS	Fee Effective 10/01/23	Proposed Change FY 24-25	Proposed Fee 10/01/24
1	**Membership, Library Cards**				
2	Annual Membership, full privileges	Residents of Duncanville	$ -	$ -	$ -
3	Annual Membership, full privileges	Residents of DeSoto, Cedar Hill	$ -	$ -	$ -
4	Annual Membership, full privileges	Residents of other cities (first in household)	$ 35.00	$ -	$ 35.00
5	Annual Membership, full privileges	Residents of other cities (subsequent in household)	$ -	$ -	$ -
6	Replacement Library card	Per card	$ 1.00	$ -	$ 1.00
7	Duncanville ISD/Charter Students	Per card	$ -	$ -	$ -
8	**Services**				
9	Photocopies	Per page	$ 0.20	$ -	$ 0.20
10	Printing	Per page	$ 0.20	$ -	$ 0.20
11	Faxing (US & Canada)	Per page	$ 0.50	$ -	$ 0.50
12	Faxing (International)	Per page	$ -	$ -	$ -
13	Interlibrary loans	Per item delivered	$ 3.75	$ -	$ 3.75
14	Notarized signatures	Each	$ 2.00	$ -	$ 2.00
15	**Materials**				
16	USB flash drives	Per item	$ 5.00	$ -	$ 5.00
17	Earbuds	Per pair	$ 1.00	$ -	$ 1.00
18	Reusable Bag	Per item	$ 5.00	$ -	$ 5.00
19	**Overdue charges**				
20	Kindles, WIFI hotspots, laptops (checked out for offsite use	Per item per day to a maximum of replacement cost	$ -		$ -
21	Laptops (in-house use)	Per hour	$ -		$ -
22	All other Library materials	Per item per day to a maximum of replacement cost	$ -		$ -
23	DVDS and Videos	Per item per day to a maximum of replacement cost	$ -		$ -
24	**Damage charges**				
25	Pages torn, marked, water damaged or missing	Per page to a maximum of $5.00	$ 0.50	$ -	$ 0.50
28	ILL book band not returned with item	Per item	$ 1.00	$ -	$ 1.00
29	Book spine broken	Per item	$ 3.00	$ -	$ 3.00
30	Media cover insert torn, marked, or missing	Per item	$ 5.00	$ -	$ 5.00
31	Case, container, or part of Library material missing or damaged beyond repair	Per part	Replacement cost		Replacement cost
32	Library materials lost or damaged beyond repair (e.g. mold or water damage)	Per item	Replacement cost		Replacement cost
33	Library materials lost or damaged beyond repair (e.g. mold or water damage)	Service charge, per item, in addition to replacement cost	$ 5.00	$ -	$ 5.00

MASTER FEE SCHEDULE EXHIBIT A

MUNICIPAL COURT

	MC CODE	FEE	BASIS/COMMENTS	Fee Effective 10/1/2023	Proposed Change FY 24-25	Proposed Fee 10/01/2024
1	DDC	Driving Safety Course	Up to $10 for cases in which dismissal is granted for attendance by defendant at a defensive driving course.	$ 10.00	$ -	$ 10.00
2	Payplan 2	Time Payment Reimbursement Fee (State Mandated Fee)	Assessed on each case that is paid on or after the 31st day past the date of judgment. City retains half.	$ 15.00	$ -	$ 15.00
3	Arrest	Warrant Fee (State Mandated Fee)	Assessed upon conviction for executing or processing an Arrest Warrant, Capias, or Capias Pro Fine.	$ 50.00	$ -	$ 50.00
4	LEA	LEA Fee (State Mandated Fee)	For Peace Officer issuing a written notice to appear (citation)	$ 5.00	$ -	$ 5.00
5	LTF	Local Traffic Fee	Rules of the Road offenses (Chapters 541-600, Transportation Code)	$ -	$ 3.00	$ 3.00
6	LYDF	Local Youth Diversion Fund	May be used to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of juvenile case manager and juvenile case manager services. If there is no juvenile case manager, may be used for the support of a local mental health authority, juvenile alcohol and substance abuse programs, and any other project designated to prevent or reduce the number of juvenile referrals to the court. Money in the fund may not be used to supplement the income of an employee whose primary role is not that of a juvenile case manager		$ 5.00	$ 5.00
7	Jury	Jury Fee (State Mandated Fee)	Assessed on each case upon conviction at a jury trial	$ 3.00	$ -	$ 3.00
8	MCBS2	Security Fund (State Mandated Fee)	Can only be used for security personnel, services, and items related to buildings that house the operation of the municipal court.	$ 4.90	$ -	$ 4.90
9	MCTF	Technology fee (State Mandated Fee)	Can only be used for purchase of or to maintain technological enhancements for the Court	$ 4.00	$ -	$ 4.00
10	JCMF	Juvenile Case Manager Fee (State Mandated Fee)	Salary, Benefits, Training, Travel expenses, Office supplies, and Other necessary expenses of the JCM	$ 5.00	$ -	$ 5.00
11	COLLECTION	Collection fee (State Mandated Fee)	Contract with a third party collections firm	30%	-	30%
12	SCF	Consolidated Fee (State Mandated Fee)	Applies to all except parking and pedestrian offenses.90% remitted to State on Quarterly Report (IF report timely filed) where it is divided up among 14 different accounts/funds	$62.00	$ -	$ 62.00
13	JF2	Judicial Support Fee (JSF)	Applies to all except parking or pedestrian offens	$ 6.00	$ -	$ 6.00
14	IDF	Indigent Defense Fund (IDF) (State Mandated Fee)	Fee to be used to fund indigent defense representation through the	$ 2.00	$ -	$ 2.00
15	SJF	Juror Reimbursement Fee (State Mandated Fee)	90% remitted to State on Quarterly Report Fee to be used to reimburse counties for the cost of juror services.	$ 4.00	$ -	$ 4.00
16	TPDF2	Truancy Prevention and Diversion Fund (State Mandate	May only be used to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses relating to the position of juvenile case manager. Money may not be used to supplement the income of an employee whose primary role is not juvenile case manager.	$ 5.00	$ -	$ 5.00
17	STF2	State Traffic Fine (State Mandated Fee)	Applies to ALL Rules of the Road offenses	$ 50.00	$ -	$ 50.00
18	TFC	Local Traffic Fee (State Mandated Fee)	Applies to Rules of the Road offenses	$ 3.00	$ -	$ 3.00
19	MV	Moving Violation Fee (State Mandated Fee)	Applies to Moving Violations as defined by DPS	$ 0.10	$ -	$ 0.10
18	MJF	Municipal Jury Fund	Section 134.154, Local Government Code. May only be used to fund jury reimbursement and otherwise finance jury services. All non-jailable misdemeanor offenses including criminal violation of a municipal ordinance	$ 0.10	$ -	$ 0.10

EXHIBIT A

MASTER FEE SCHEDULE
PLANNING AND BUILDING INSPECTIONS

	DEPARTMENT	BASIS/COMMENTS	Fee Effective 03/05/2024	Proposed Change FY 24-25	Proposed Fee 10/01/2024
	Planning & Neighborhood Services				
1	**ZONING & RELATED FEES**				
2	Preliminary plat	Per plat.	$ 250.00		$ 250.00
3	Final plat - residential	Plus $5.00 per lot.	$ 500.00		$ 500.00
4	Final plat - apartment	Plus $10.00 per unit.	$ 500.00		$ 500.00
5	Final plat - other	Plus $50.00 per acre.	$ 500.00		$ 500.00
6	Replat	Per plat.	$ 500.00		$ 500.00
7	Planned Development Site Plan - Minor		$ 100.00		$ 100.00
8	Planned Development Site Plan - Major		$ 250.00		$ 250.00
9	Zoning change - planned development	Per development.	$ 1,050.00		$ 1,050.00
10	Zoning change - single residential lot		$ 500.00		$ 500.00
11	Zoning change - all other including SUP)		$ 1,050.00		$ 1,050.00
12	Comprehensive Plan	Per book	$ 50.00		$ 50.00
13	Maps (black/white copy)	Per sheet.	$ 5.00		$ 5.00
14	Street signs (2 signs, 1 pole)	Per assembly; installed.	$ 75.00		$ 75.00
15	Blue fire buttons	Each.	$ 10.00		$ 10.00
16	Zoning Verification Letter	Each.	$ 50.00		$ 50.00
17	Right-of-Way Abandonment	Each application	$ 250.00		$ 250.00
18	**SHORT TERM RENTALS AND HOUSING**				
19	Specific Use Permit (SUP) for Short-Term Rental	Per unit.	$ 125.00		$ 125.00
20	Short-Term Rental Registration Fee	Per unit. Assessed annually	$ 250.00		$ 250.00
21	Short-Term Rental Inspection	Per unit. Assessed annually	$ 100.00		$ 100.00
22	Temporary Workforce Housing - Registration	assessed annually		$ 250.00	$ 250.00
23	Temporary Workforce Housing - Inspection	assessed annually		$ 100.00	$ 100.00
24	**CERTIFICATES OF OCCUPANCY**				
25	New building		$ 75.00	$ 25.00	$ 100.00
26	Existing building	For each new occupant or change in occupancy or ownership.	$ 200.00		$ 200.00
27	Clean & Show Permit	Conditional for 90 days, will require an inspection or review of property on 90th day	$ 125.00		$ 125.00
28	Utility Verification Permit	when the occupant changes electrical provider and an isnpection is required	$ 125.00		$ 125.00
29	Changes	Certificate replacement	$ 50.00		$ 50.00
30	Expedited Applications		$ 200.00		$ 200.00
31	**PLAN REVIEW**	**RESIDENTIAL PLAN REVIEW - NEW CONSTRUCTION**			
32	**Total Square Feet**				
33	1001 - 1500		$ 200.00		$ 200.00
34	1501 - 2000		$ 250.00		$ 250.00
35	2001 - 2500		$ 300.00		$ 300.00
36	2501 - 3000		$ 350.00		$ 350.00
37	3001 - 3500		$ 450.00		$ 450.00
38	3501 - 4000		$ 500.00		$ 500.00
39	4001 or more	$500 plus 0.05 per each additional square foot	See Comments		See Comments
40	**BUILDING PERMITS**	**RESIDENTIAL NEW CONSTRUCTION**			
41	Work Done Without Permit	Work performed without permit when a pemit is required- double the calculated project fee			
42	**Total Square Feet**				
43	1001 - 1500		$ 2,800.00		$ 5,600.00
44	1501 - 2000		$ 3,008.00		$ 6,016.00
45	2001 - 2500		$ 3,463.10		$ 6,926.20
46	2501 - 3000		$ 3,918.20		$ 7,836.40
47	3001 - 3500		$ 4,373.30		$ 8,746.60
48	3501 - 4000		$ 4,828.40		$ 9,656.80
49	4001 or more	$4,828.40 plus 0.50 per each additional square foot	See Comments		See Comments
50	**BUILDING PERMITS**	**RESIDENTIAL REMODEL- ADDITIONAL SQFT TO MAIN STRUCTURE**			
51	**Total Square Feet**				
52	Work Done Without Permit	Work performed without permit when a pemit is required- double the calculated project fee			
53	1-250		$ 175.00		$175.00
54	251-500		$ 325.00		$ 325.00
55	501-1000		$ 600.00		$ 600.00
56	1001-1500		$ 875.00		$ 875.00
57	1501-2000		$ 1,075.00		$ 1,075.00
58	2001-2500		$ 1,375.00		$ 1,375.00
59	2501 -3000		$ 1,575.00		$ 1,575.00
60	3001 or more	$1,575 plus 0.40 per each additional square foot	See Comments		See Comments
61	**PLAN REVIEW**	**COMMERICIAL BUILDING REVIEW**			
62	**Plan Review**	Commercial Review for new construction	50% permit cost		50% permit cost
63	**BUILDING PERMITS**	**NEW COMMERCIAL BUILDING**			
64	**Total Square Feet**				

EXHIBIT A

MASTER FEE SCHEDULE
PLANNING AND BUILDING INSPECTIONS

	DEPARTMENT	BASIS/COMMENTS	Fee Effective 03/05/2024	Proposed Change FY 24-25	Proposed Fee 10/01/2024
65	Work Done Without Permit	Work performed without permit when a pemit is required- double the calculated project fee			
66	1-1500	per square foot	$ 4.00		$ 4.00
67	1501-2500	per square foot	$ 3.60		$ 3.60
68	2501-3500	per square foot	$ 2.95		$ 2.95
69	3501-4500	per square foot	$ 2.75		$ 2.75
70	4501-5500	per square foot	$ 2.55		$ 2.55
71	5501-6500	per square foot	$ 2.45		$ 2.45
72	6500 or more	per square foot	$ 2.35		$ 2.35
73	**BUILDING PERMITS**	**COMMERCIAL BUILDING REMODEL**			
74	**Total Square Feet**				
75	Work Done Without Permit	Work performed without permit when a pemit is required- double the calculated project fee			
76	1-1500	per square foot	$ 0.35		$ 0.35
77	1501-2500	per square foot	$ 0.30		$ 0.30
78	2501-3500	per square foot	$ 0.28		$ 0.28
79	3501-4500	per square foot	$ 0.26		$ 0.26
80	4501-5500	per square foot	$ 0.24		$ 0.24
81	5501-6500	per square foot	$ 0.23		$ 0.23
82	6500 or more	per square foot	$ 0.22		$ 0.22
83	**INSPECTIONS / PLAN REVIEW**				
84	Commercial Pool/Spa Inspection Fee	Inspected 4 times a year, pass inspection is required to operate	$ 400.00		$ 400.00
85	Inspections outside normal business hours (2 hour minimum)	All charges per hour or the total hourly cost to the jurisdiction, whichever is greatest. This cost shall include supervision, overhead, equipment, hourly wages, and fringe benefits of the employees involved.	$ 150.00		$ 150.00
86	Reinspection fees	Inspection required after failure to comply with first notice of violation for each violation noted	$ 100.00		$ 100.00
87	Inspections for which no fee is specifically indicated (half-hour minimum)		$ 125.00		$ 125.00
88	Additional plan review	required by changes, additions, or revisions to plans (half-hour minimum)	$ 125.00		$ 125.00
89	Use of outside consultants for plan checking and inspections or both	To include administrative and overhead costs.	Actual Cost		Actual Cost
90	**CONTRACTOR REGISTRATION**				
91	General Contractor Registration - fence, concrete, sign, landscape irrigation installer, solar	Annual Fee - requires $1,000,000.00 liability insurance	$ 150.00	$ -	$ 150.00
92	**ELECTRICAL PERMITS**	Unrelated to new construction or remodeling.			
93	Electrical work done with no permit	Work performed without permit when a permit is required - double the calculated project fee			
94	Service change		$ 125.00		$ 125.00
95	Meter change		$ 125.00		$ 125.00
96	**PLUMBING PERMITS**	Unrelated to new construction or remodeling.			
97	Plumbing work done with no permit	Work performed without permit when a permit is required - double the calculated project fee			
98	~~First fixture~~		~~$ 125.00~~	~~$ (125.00)~~	~~$ -~~
99	Sewer Line		$ 125.00		$ 125.00
100	Gas Line		$ 125.00		$ 125.00
101	Water heater installation		$ 125.00		$ 125.00
102	Water treatment system installation		$ 125.00		$ 125.00
103	Backflow device inspection		$ 125.00		$ 125.00
104	Landscape Irrigation Installation		$ 300.00		$ 300.00
105	Gas Test & minor repair		$ 125.00		$ 125.00
106	Grease Trap		$ 150.00		$ 150.00
107	Sand Trap		$ 150.00		$ 150.00
108	~~Steam boiler installation~~		~~$ 125.00~~	~~$ (125.00)~~	~~$ -~~
109	**AIR CONDITIONING PERMITS**	Unrelated to new construction or remodeling.			
110	HVAC Done Without Permit	Double the calculated project fee	See Comments		See Comments
111	Residential Mechanical - Repair or Alteration	per system	$ 125.00	$ 50.00	$ 175.00
112	Residential New HVAC system	per system	$ 125.00		$ 125.00
113	Commercial Mechanical - Repair or Alteration	per system	$ 150.00		$ 150.00
114	Commercial New HVAC system	per system	$ 250.00		$ 250.00
115	Walk-In Cooler Installation	per system	$ 175.00		$ 175.00
116	**MISC. PERMITS / FEES**	Including all trades, if applicable.			
117	Work Done Without Permit	Double the calculated project fee	See Comments		See Comments
118	Residential Remodel, repair, or alteration to existing house (excludes an increase in sq ft)		$ 200.00		$ 200.00
119	Solar		$ 300.00		$ 300.00
120	Foundation		$ 200.00		$ 200.00

EXHIBIT A

MASTER FEE SCHEDULE
PLANNING AND BUILDING INSPECTIONS

	DEPARTMENT	BASIS/COMMENTS	Fee Effective 03/05/2024	Proposed Change FY 24-25	Proposed Fee 10/01/2024
121	Swimming pool, >5,000 gal.		$ 100.00	$ 50.00	$ 150.00
122	Spa / hot tub / Pool (above ground, 24" deep or greater)		$ 100.00		$ 100.00
123	Type B Accessory building 1-399 sqft	no MEP included, separate permit required	$ 75.00		$ 75.00
124	Type A Accessory building 400 sqft or greater	no MEP included, separate permit required	$ 150.00		$ 150.00
125	Roof Shingles Only -Residential		$ 150.00		$ 150.00
126	Roof Decking - Residential		$ 150.00		$ 150.00
127	Roof Shingles/ Composition- Commercial		$ 300.00		$ 300.00
128	Roof Decking - Commercial		$ 400.00		$ 400.00
129	TPO		$ 500.00		$ 500.00
130	All concrete: sidewalk, driveway approach and non residential parking lot	per square foot, Maximum $250 on Residential, and $1000.00 on Commercial	$ 0.50		$ 0.50
131	Asphalt tie-in to concrete drive approach	Per linear foot.	$ 6.00		$ 6.00
132	Structure moving, within City limits	Code of Ordinances Section 5-58	$ 100.00		$ 100.00
133	Structure moving, into City	Code of Ordinances Section 5-58	$ 100.00		$ 100.00
134	Construction Trailer	per trailer	$ 125.00		$ 125.00
135	Building demolition	per building	$ 150.00		$ 150.00
136	Gasoline fuel tanks	per tank	$ 300.00		$ 300.00
137	Tent or canopy	Four permits per year, 14 days each	$ 75.00		$ 75.00
138	Residential Fence		$ 100.00		$ 100.00
139	Commercial Fence	3 inspections required	$ 300.00		$ 300.00
140	Storage Containers	Annual Fee - two permits per year, 15 days each	$ 100.00		$ 100.00
141	Occasional sale / residential garage sale	Four permits per year, two each six-month period	No charge		No charge
142	Seasonal sale		$ 150.00		$ 150.00
143	Seasonal garden center		$ 150.00		$ 150.00
144	Handbill registration	Per year.	$ 50.00		$ 50.00
145	Handbill permit, one day		$ 50.00		$ 50.00
146	Handbill permit, one week		$ 100.00		$ 100.00
147	Handbill permit, one year		$ 500.00		$ 500.00
148	Donation Box Registration		$ 250.00		$ 250.00
149	Administrative Fee	Contracting for abatement of Code Violation per Occurrence; minimum charge of $100	$250 or 10% of cost, whichever is higher		$250 or 10% of cost, whichever is higher
150	Vacant building registration	Annual Fee	$ 750.00		$ 750.00
151	Vacant building inspection	Annual Fee- $0.01 per square foot of vacant building space, minimum charge of $50	$50 or $0.01/sf whichever is higher		$50 or $0.01/sf whichever is higher
152	Residential Rental Property Registration	Registration, Inspection, and RCO (new registration)	$ 150.00		$ 150.00
153	Residential Rental Property Registration	Annual fee per single-family, duplex, or townhouse rental unit	$ 25.00		$ 25.00
154	Residential Inspection Fee	When an inspection is required	$ 125.00		$ 125.00
155	Fee Resolution	Replacement of lost, destroyed or mutilated Rental Certificate of Occupancy	$ 25.00		$ 25.00
156	Late Fee	For each month or part of the month that a license fee has not been received.	$ 50.00		$ 50.00
157	Street name change	*Note: This fee was approved in Resolution 2004-100504, but was inadvertently left off the previous fee schedules*	$ 125.00		$ 125.00
158	Native Landscape Permit	One-time fee - Ordinance 2505	$ 25.00		$ 25.00
159	**SMALL CELL AND NETWORK NODES**				
160	Small Cell/Network node application fee	1-5 network nodes	$ 500.00		$ 500.00
161	Small Cell/Network node application fee	Additional network nodes beyond 5, each	$ 250.00		$ 250.00
162	Small Cell/Network node application fee	Each pole to be erected	$ 1,000.00		$ 1,000.00
163	Small Cell/Network node annual user fee	Each network node	$ 250.00		$ 250.00
164	Transport Facility monthly user fee	Each network node in right-of-way providing backhaul	$ 28.00		$ 28.00
165	Collocation on city poles annual user fee	Each pole	$ 20.00		$ 20.00
166	**FOOD ESTABLISHMENT FEES**				
167	**Health permit**				
168	**Class 1A** (full service restaurants with dining area, and supermarkets without a deli/bakery in the store)	Per fiscal year.	$ 500.00		$ 500.00
169	**Class 2A** (ex. Supermarkets with deli/bakery, fast food establishments, convenience stores, variety stores, mobile vendors, day care and schools)	Per fiscal year.	$ 325.00		$ 325.00
170	**Class 3A** (Seasonal Establishments)	Per fiscal year.	$ 225.00		$ 225.00
171	New Establishment or change of ownership administrative fee in addition to Health Permit		$ 50.00		$ 50.00

EXHIBIT A

MASTER FEE SCHEDULE
PLANNING AND BUILDING INSPECTIONS

	DEPARTMENT	BASIS/COMMENTS	Fee Effective 03/05/2024	Proposed Change FY 24-25	Proposed Fee 10/01/2024
172	**All large retail stores will be assessed separate permit fees for each operational function**				
173	Meat Market	Per fiscal year.	$ 325.00		$ 325.00
174	Deli	Per fiscal year.	$ 325.00		$ 325.00
175	Seafood	Per fiscal year.	$ 325.00		$ 325.00
176	Restaurant	Per fiscal year.	$ 325.00		$ 325.00
177	Bakery	Per fiscal year.	$ 325.00		$ 325.00
178	School cafeteria	Per school cafeteria per fiscal year.	$ 325.00		$ 325.00
179	Temporary food permit (first day) - commercial	Example: restaurants, food trucks, typically but not limited to, food preparation on-site, or offsite before the event, for consumption at event.	$ 75.00		$ 75.00
180	Temporary food permit- additional day	Not to exceed 10 days.	$ 25.00		$ 25.00
181	Temporary food permit - non-commercial	Example: bake sales, pre-packaged food, fundraisers, not for profit	$ 25.00		$ 25.00
182	Annual temporary food permit	Annual fee if vendor chooses to pay one fee for the year versus a fee each event. If vendor changes food classification, a new permit will apply. Each event remains subject to inspection.	$ 125.00	$ 200.00	$ 325.00
183	Re-check fee, all classifications	Per reinspection of noted violation	$ 100.00		$ 100.00
184	**Health Permit Late fees**				
185	Late fee	For each month or part of the month that a license fee has not been received.	$ 100.00		$ 100.00
186	Not received by November 1st	Will result in establishment closure.	$ 150.00		$ 150.00
187	New Establishment or change of ownership administrative fee in addition to Health Permit		$ 50.00		$ 50.00
188	**APARTMENT COMPLEX LICENSING**				
189	Late fee	For each month or part of the month that a license fee has not been received.	$ 100.00		$ 100.00
190	License fee	Per dwelling unit. Due on or before last working day of preceding year.	$ 15.00		$ 15.00
191	Reinspection fee	Per reinspection of noted violation	$ 50.00		$ 50.00
192	New Establishment or change of ownership administrative fee in addition to Health Permit		$ 50.00		$ 50.00
193	**SIGN PERMITS**				
194	Reface		$ 150.00		$ 150.00
195	Pole signs		$ 150.00		$ 150.00
196	Monument		$ 150.00		$ 150.00
197	Wall signs		$ 150.00		$ 150.00
198	Lighted sign, electrical fee		$ 150.00		$ 150.00
199	Flags	3 flags per lot - insignia, decorative, governmental.	No charge		No charge
200	Pennant	14 day limit; within first 90 days of certificate of occupancy.	No charge		No charge
201	**BANNER FEES**				
202	Erect banner	Each 30 day period; not to exceed 90 days per year.	$ 50.00		$ 50.00
203	Grand Opening banner	14 day limit; within first 90 days of certificate of occupancy.	No charge		No charge
204	**TREE PRESERVATION FEES**				
205	Removal of dead, diseased, or damaged tree		No charge		No charge
206	Removal of protected trees and/or review of tree preservation plan in conjunction with building permit. (Applicable mitigation charges still apply)		No charge		No charge
207	Application for tree removal (Applicable mitigation charges still apply)		$ 100.00		$ 100.00
208	Review of tree preservation plan		$ 100.00		$ 100.00
209	All others		$ 100.00		$ 100.00
210	**VARIANCE REQUESTS**				
211	Board of Adjustment Residential	Per request.	$ 500.00		$ 500.00
212	Board of Adjustment Commercial	Per request.	$ 500.00		$ 500.00
213	Sign Control Board	Per request.	$ 250.00		$ 250.00
214	Letter preparation		$ 10.00		$ 10.00

MASTER FEE SCHEDULE
PARKS AND RECREATION

EXHIBIT A

	DEPARTMENT	BASIS/COMMENTS	Fee Effective 10/01/23	Proposed Change for FY 24-25	Proposed Fee Effective 10/01/24
1	**PARKS AND RECREATION**				
2		Family is defined as spouse, child or step-child.			
3	**RECREATION CARD FEES**	Game Room/Gym/Walking Track/Fitness Room (Fitness Room Access is Not Allowed for Children under 16)			
4	Individual, Resident (6 months)	Ages 10-54 (city employee, officials, retirees or spouses thereof)	$ 35.00	$ 15.00	$ 50.00
5	Individual, Resident (annual)	Ages 10-54 (city employee, officials, retirees, or spouses thereof)	$ 65.00	$ 15.00	$ 80.00
6	Individual, Non-Resident (6 months)	Ages 10-54	$ 150.00	$ 10.00	$ 160.00
7	Individual, Non-Resident (annual)	Ages 10-54	$ 290.00	$ 10.00	$ 300.00
8	Family, Resident (6 months)	Maximum of 6 family members (Each additional Family member above 6 is $10 more)	$ 90.00	$ 35.00	$ 125.00
9	Family, Resident (annual)	Maximum of 6 family members (Each additional Family member above 6 is $20 more)	$ 175.00	$ 25.00	$ 200.00
10	Family, Non-Resident (6 months)	Maximum of 6 family members (Each additional Family member above 6 is $60 more)	$ 650.00	$ -	$ 650.00
11	Family, Non-Resident (annual)	Maximum of 6 family members (Each additional Family member above 6 is $120 more)	$ 1,280.00	$ -	$ 1,280.00
12	Individual, Senior, Resident (6 months)	Ages 50+	$ 25.00	$ 5.00	$ 30.00
13	Individual, Senior, Resident (annual)	Ages 50+	$ 45.00	$ 5.00	$ 50.00
14	Individual, Senior, Non-Resident (6 months)	Ages 50+	$ 140.00	$ -	$ 140.00
15	Individual, Senior, Non-Resident (annual)	Ages 50+	$ 260.00	$ -	$ 260.00
16	Senior Citizen Couple, Resident (6 months)	Ages 50+	$ 45.00	$ 5.00	$ 50.00
17	Senior Citizen Couple, Resident (annual)	Ages 50+	$ 80.00	$ 5.00	$ 85.00
18	Senior Citizen Couple, Non-Resident (6 months)	Ages 50+	$ 275.00	$ -	$ 275.00
19	Senior Citizen Couple, Non-Resident (annual)	Ages 50+	$ 510.00	$ -	$ 510.00
20	Individual, Rec Cntr/Snr Cntr COMBO, Resident (annual)	Ages 50+	$ 50.00	$ -	$ 50.00
21	Individual, Rec Cntr/Snr Cntr COMBO, Non-Resident (annual)	Ages 50+	$ 275.00	$ -	$ 275.00
22	Rec Cntr/Snr Cntr COMBO Couple, Resident (annual)	Ages 50+	$ 90.00	$ -	$ 90.00
23	Rec Cntr/Snr Cntr COMBO Couple, Non-Resident (annual)	Ages 50+	$ 550.00	$ -	$ 550.00
24	Replacement Card		$ 10.00	$ -	$ 10.00
25	Children under the age of 5	Not allowed in Fitness Room	Free		Free
26	Day Pass, Resident		$ 5.00	$ -	$ 5.00
27	Day Pass, Non-Resident		$ 5.00	$ -	$ 5.00
28	Active Military	Must show proof they are on active duty.	Free		Free
29	Corporate (15 Annual Memberships)	Includes 15 individual annual memberships (no residency requirement)	$ 825.00	$ -	$ 825.00
30	**FACILITY RENTAL Rates/Fees**	Charges are determined on type and rooms rented. Set up and clean-up are included in rented hours per signed contract. The Recreation Center and Senior Center do not allow rentals past 11:30 p.m.			
31	Facility Deposit (Senior Center)	Deposit due 5 working days prior to rental.	$ 250.00	$ -	$ 250.00
32	Facility Deposit (Meeting Room)	Deposit due 5 working days prior to rental.	$ 200.00	$ -	$ 200.00
33	Facility Deposit (Teen Room)	Deposit due 5 working days prior to rental.	$ 200.00	$ -	$ 200.00
34	Facility Deposit (Single Gym)	Deposit due 5 working days prior to rental.	$ 250.00	$ -	$ 250.00
35	Facility Deposit (Pavilion/Gazebo/Amphitheatre)	Deposit due 5 working days prior to rental.	$ 100.00	$ -	$ 100.00
36	Electronics Deposit (Audio/Visual Equipment)	Deposit due 5 working days prior to rental.	$ -	$ 100.00	$ 100.00
37	Security Officer Fee	Per hour; one security guard per 75 guests required for rentals made up of primarily age 21 years or younger.	$ 50.00	$ 5.00	$ 55.00
37	Administration Fee - Pavilions	Per reservation when rental cancellation has been requested	$ 15.00	$ -	$ 15.00
38	Administration Fee - Facilities	Per reservation when rental cancellation has been requested	$ 30.00	$ -	$ 30.00
39	Administration Fee - Programs	Per class when a request made for refund of a class/program	$ 15.00	$ -	$ 15.00
40	Clean Up Fee - Pavilions, 125 people or more		$ 50.00	$ -	$ 50.00
41	Clean Up Fee - Pavilions, 2 hours or more		$ 50.00	$ -	$ 50.00
42	Clean Up Fee - Recreation Center Rooms		$ 50.00	$ -	$ 50.00
43	Clean Up Fee - D.L. Hopkins Senior Center Rooms		$ 50.00	$ -	$ 50.00
44	D.L. Senior Center - Parkview, Resident	Per hour	$ 110.00	$ 15.00	$ 125.00
45	D.L. Senior Center - Parkview, Non-Resident	Per hour	$ 165.00	$ 15.00	$ 180.00
46	D.L. Senior Center - Northside, Resident	Per hour	$ 85.00	$ 15.00	$ 100.00

MASTER FEE SCHEDULE
PARKS AND RECREATION

EXHIBIT A

	DEPARTMENT	BASIS/COMMENTS	Fee Effective 10/01/23	Proposed Change for FY 24-25	Proposed Fee Effective 10/01/24
47	D.L. Senior Center - Northside, Non-Resident	Per hour	$ 140.00	$ 15.00	$ 155.00
47	Aerobics Room, Resident	Per hour, per room	$ 45.00	$ 5.00	$ 50.00
48	Aerobics Room, Non-Resident	Per hour, per room	$ 90.00	$ 10.00	$ 100.00
49	Game Room, Resident	Per hour, per room	$ 70.00	$ -	$ 70.00
50	Game Room, Non-Resident	Per hour, per room	$ 90.00	$ -	$ 90.00
51	Teen Room, Resident	Per hour, per room	$ 55.00	$ 10.00	$ 65.00
52	Teen Room, Non-Resident	Per hour, per room	$ 85.00	$ 10.00	$ 95.00
53	Single Meeting Room, Resident	Per hour, per room	$ 40.00	$ 10.00	$ 50.00
54	Single Meeting, Room, Non-Resident	Per hour, per room	$ 55.00	$ 10.00	$ 65.00
55	Conference Room, Resident	Per hour	$ 25.00	$ -	$ 25.00
56	Conference Room, Non-Resident	Per hour	$ 45.00	$ -	$ 45.00
57	Kitchen, Resident	Per hour with rental	$ 20.00	$ 10.00	$ 30.00
58	Kitchen, Non-Resident	Per hour with rental	$ 30.00	$ 10.00	$ 40.00
59	Single Court Rental (Athletic)	Per hour	$ 55.00	$ -	$ 55.00
60	Single Court Rental (Non-Athletic)	Per hour	$ 60.00	$ -	$ 60.00
61	After Hours Charge	Per hour for any rentals beyond hours of operation	$ 25.00	$ -	$ 25.00
62	**PAVILION RENTALS**				
63	Harrington Park Small Pavilion, Resident	Per hour (tables/grills, no electric)	$ 20.00	$ -	$ 20.00
64	Harrington Park Small Pavilion, Non-Resident	Per hour (tables/grills, no electric)	$ 40.00	$ -	$ 40.00
65	Armstrong Park Full Pavilion, Resident	Per hour (electric outlet and lighting, no grills allowed)	$ 50.00	$ 50.00	$ 100.00
66	Armstrong Park Full Pavilion, Non-Resident	Per hour (electric outlet and lighting, no grills allowed)	$ 75.00	$ 50.00	$ 125.00
67	Armstrong Park Half Pavilion, Resident	Per hour (electric outlet and lighting, no grills allowed)		$ 60.00	$ 60.00
68	Armstrong Park Half Pavilion, Non-Resident	Per hour (electric outlet and lighting, no grills allowed)		$ 80.00	$ 80.00
69	Harrington Large Pavilion, Resident	Per hour (electric and lighting, 6 picnic tables)	$ 30.00	$ -	$ 30.00
70	Harrington Large Pavilion, Non-Resident	Per hour (electric and lighting, 6 picnic tables)	$ 50.00	$ -	$ 50.00
71	Red Bird Pavilion, Resident	Per hour (electric and lighting)	$ 30.00	$ 20.00	$ 50.00
72	Red Bird Pavilion, Non-Resident	Per hour (electric and lighting)	$ 50.00	$ 25.00	$ 75.00
73	Chris Paris Park Pavilion, Resident	Per hour (no electric or restrooms)	$ 10.00	$ -	$ 10.00
74	Chris Paris Park Pavilion, Non-Resident	Per hour (no electric or restrooms)	$ 20.00	$ -	$ 20.00
75	Lakeside Park Pavilion - Small, Resident	Per hour (electric outlet and lighting)	$ 50.00	$ -	$ 50.00
76	Lakeside Park Pavilion - Small, Non-Resident	Per hour (electric outlet and lighting)	$ 75.00	$ -	$ 75.00
77	Lakeside Park Pavilion - Large, Resident	Per hour (electric outlet and lighting)	$ 50.00	$ 50.00	$ 100.00
78	Lakeside Park Pavilion - Large, Non-Resident	Per hour (electric outlet and lighting)	$ 75.00	$ 50.00	$ 125.00
79	Amphitheatre Rental, Resident	Per hour	$ 80.00	$ 45.00	$ 125.00
80	Amphitheatre Rental, Non-Resident	Per hour	$ 150.00	$ 50.00	$ 200.00
81	Gazebo Rental, Resident	Per hour	$ 20.00	$ 10.00	$ 30.00
82	Gazebo Rental, Non-Resident	Per hour	$ 40.00	$ 10.00	$ 50.00
89	**PARKS AND RECREATION**				
90	**ATHLETIC ASSOCIATION FEES**				
90	Resident Fee	Participants that reside inside the City limits		$ 8.00	$ 8.00
91	Non-Resident Fee	Participants that reside outside the City limits	$ 10.00	$ -	$ 10.00
92	**COURT RENTALS**				
93	Outdoor Basketball Court Rental, Resident	Per hour	$ 10.00	$ -	$ 10.00
94	Outdoor Basketball Court Rental, Non-Resident	Per hour	$ 20.00	$ -	$ 20.00
95	Tennis Court, Resident	Per court, per hour	$ 4.00	$ 1.00	$ 5.00
96	Tennis Court, Non-Resident	Per court, per hour	$ -	$ 10.00	$ 10.00
97	Sand Volleyball Court Rental, Resident	Per hour	$ 10.00	$ -	$ 10.00
98	Sand Volleyball Court Rental, Non-Resident	Per hour	$ 20.00	$ -	$ 20.00
98	**ATHLETIC FIELD RENTALS (LIGHTS INCLUDED)**				
99	Baseball Fields, Resident	Per field, per hour	$ 15.00	$ 15.00	$ 30.00
100	Baseball Fields, Non-Resident	Per field, per hour	$ 15.00	$ 35.00	$ 50.00
101	Soccer Fields, Resident	Per Full size field, per hour	$ 15.00	$ 15.00	$ 30.00
102	Soccer Fields, Non-Resident	Per Full size field, per hour	$ 15.00	$ 35.00	$ 50.00
103	Multi-Purpose Fields, Resident	Per Full size field, per hour	$ 15.00	$ 15.00	$ 30.00
104	Multi-purpose Fields, Non-Resident	Per Full size field, per hour	$ 15.00	$ 35.00	$ 50.00
105	Softball Fields, Resident	Per field, per hour	$ 15.00	$ 15.00	$ 30.00
106	Softball Fields, Non-Resident	Per field, per hour	$ 15.00	$ 35.00	$ 50.00
107	**TOURNAMENT AND GAME FEES**				
108	Tournament Fees	Per day/per field	$ 150.00	$ -	$ 150.00
109	Tournamment Deposit	Per day/per field	$ -	$ 75.00	$ 75.00
110	City Sponsored Baseball/ Softball Tournaments	Per hour/per field		$ 30.00	$ 30.00
111	City Sponsored Football/ Soccer Tournaments	Per hour/per field		$ 30.00	$ 30.00
112	Non-City Sponsored Baseball/ Softball Tournaments	Per hour/per field		$ 40.00	$ 40.00
113	Non-City Sponsored Football/ Soccer Tournaments	Per hour/per field		$ 40.00	$ 40.00
114	Field Set up - Soccer/Multipurpose fields	Per full-size field if not already lined		$ 200.00	$ 200.00

MASTER FEE SCHEDULE
PARKS AND RECREATION

EXHIBIT A

	DEPARTMENT	BASIS/COMMENTS	Fee Effective 10/01/23	Proposed Change for FY 24-25	Proposed Fee Effective 10/01/24
115	Chalk and Drag Fee - Baseball/ Softball fields	Additional chalking and dragging during tournament play/per field		$ 30.00	$ 30.00
116	Diamond Dry	per bag		$ 15.00	$ 15.00
117	Porter/Cleaning Service Fee	Onsite Cleaning of Restrooms and Trash removal, per personnel, per hour		$ 30.00	$ 30.00
118	Portable Restroom Fee	Additional Restrooms, per unit		$ 70.00	$ 70.00
119	Security Fee	Duncanville PD officer stationed at the event,per hr		$ 55.00	$ 55.00
120	EMS Fee	Duncanville FD personnel onsite, per hour		$ 55.00	$ 55.00
121	Concessions Permit	Per day for private sales in park	$ 50.00	$ -	$ 50.00
122	Gate Fee	10% of total revenue collected for entry		10%	10%
123	**SENIOR CENTER**				
124	Resident - Annual	Membership fee	$ 15.00	$ -	$ 15.00
125	Non-Resident - Annual	Membership fee	$ 20.00	$ -	$ 20.00
126	**SPECIAL EVENTS PERMIT**				
127	Permit application		$ 100.00	$ -	$ 100.00
128	Special events deposit	Deposit and bond for balance of estimated costs or $200.00, whichever is greater, to be paid not less than 7 working days before the date of special event shown on permit.	50% of estimated reimbursable costs		50% of estimated reimbursable costs

MASTER FEE SCHEDULE EXHIBIT A

UTILITIES

	FEE	BASIS/COMMENTS	Fee Effective 10/01/2023	Proposed Change FY 24-25	Proposed Fee 10/01/2024
	UTILITIES				
1	**WATER & SEWER CONNECTION / TAP FEES**				
2	**Water connection fees**				
3	3/4 "	Based on cost of water meter	$ 400.00	$ -	$ 400.00
4	1"	Based on cost of water meter	$ 600.00	$ -	$ 600.00
5	1 1/2"	Based on cost of water meter	$ 1,000.00	$ -	$ 1,000.00
6	2"	Based on cost of water meter	$ 1,500.00	$ -	$ 1,500.00
7	3"	Based on cost of water meter	$ 2,000.00	$ -	$ 2,000.00
8	4"	Based on cost of water meter	$ 2,500.00	$ -	$ 2,500.00
9	**Water tap fees**	**IN ADDITION TO CONNECTION FEE FOR NEW SERVICE INSTALL**			
10	1"	Based on cost of materials & labor + 100% pavement repair charges	$ 1,600.00	$ -	$ 1,600.00
11	2"	Based on cost of materials & labor + 100% pavement repair charges	$ 2,000.00	$ -	$ 2,000.00
12	Larger than 2"		Total cost plus 10% and pavement repair charges.	$ -	Total cost plus 10% and pavement repair charges.
13	**Sewer connection fees**	**ONLY IF EXISTING SEWER SERVICE IS AVAILABLE TO PROPERTY**			
14	Residential	Connecting private sewer to city sewer available near property line	$ 200.00	$ -	$ 200.00
15	Non-Residential	Connecting private sewer to city sewer available near property line	$ 200.00	$ -	$ 200.00
16	**Sewer tap fees**	**IN ADDITION TO CONNECTION FEE FOR NEW SERVICE INSTALL**			
17	Service Line - 4"	Up to 25 feet of sewer piping + 100% pavement repair charges	$ 2,000.00	$ -	$ 2,000.00
18	Service Line - 6"	Up to 25 feet of sewer piping + 100% pavement repair charges	$ 2,500.00	$ -	$ 2,500.00
19	Linear Foot Charge (per foot after 25ft.)	$36.25 per additional linear foot + 100% pavement repair charges	$ 40.00	$ -	$ 40.00
20	**Pavement repair charges**				
21	Sidewalk	Per square foot.	$ 12.90		$ 12.90
22	Street	Per square foot.	$ 10.50		$ 10.50
23	**WATER RATES**	Monthly rates to be charged for water on a monthly basis			
24		as determined by water meter readings.			
25	**Residential - Non-Senior**				
26	Minimum water charge, up to 1,000 gal.	Per month, per unit.	$ 17.88	$ 1.96	$ 19.84
27	1,000 to 7,000 gallons	Per 1,000 gallons for water usage in excess of 1,000 gallons but not more than 7,000 gallons per unit.	$ 4.80	$ 0.53	$ 5.33
28	7,000 to 15,000 gallons	Per 1,000 gallons for water usage in excess of 7,000 gallons but not more than 15,000 gallons per unit.	$ 6.19	$ 0.68	$ 6.87
29	15,000 to 30,000 gallons	Per 1,000 gallons for water usage in excess of 15,000 gallons but not more than 30,000 gallons per unit.	$ 7.64	$ 0.84	$ 8.48
30	Over 30,000 gallons	Per 1,000 gallons for water usage of 30,000 gallons or more per unit.	$ 9.05	$ 1.00	$ 10.05
31	**Residential - Senior (over 65)**				
32	Minimum water charge, up to 1,000 gal.	Per month, per unit.	$ 16.09	$ 1.77	$ 17.86
33	1,000 to 7,000 gallons	Per 1,000 gallons for water usage in excess of 1,000 gallons but not more than 7,000 gallons per unit.	$ 4.32	$ 0.48	$ 4.80
34	7,000 to 15,000 gallons	Per 1,000 gallons for water usage in excess of 7,000 gallons but not more than 15,000 gallons per unit.	$ 5.57	$ 0.62	$ 6.19
35	15,000 to 30,000 gallons	Per 1,000 gallons for water usage in excess of 15,000 gallons but not more than 30,000 gallons per unit.	$ 6.87	$ 0.76	$ 7.63
36	Over 30,000 gallons	Per 1,000 gallons for water usage of 30,000 gallons or more per unit.	$ 8.15	$ 0.89	$ 9.04
37	**Commercial**				
38	Minimum water charge, up to 1,000 gal.	Per month, per unit.	$ 17.88	$ 1.96	$ 19.84
39	1,000 to 7,000 gallons	Per 1,000 gallons for water usage in excess of 1,000 gallons but not more than 7,000 gallons per unit.	$ 4.32	$ 0.47	$ 4.79
40	7,000 to 15,000 gallons	Per 1,000 gallons for water usage in excess of 7,000 gallons but not more than 15,000 gallons per unit.	$ 5.63	$ 0.62	$ 6.25
41	15,000 to 30,000 gallons	Per 1,000 gallons for water usage in excess of 15,000 gallons but not more than 30,000 gallons per unit.	$ 6.96	$ 0.76	$ 7.72
42	Over 30,000 gallons	Per 1,000 gallons for water usage of 30,000 gallons or more per unit.	$ 6.96	$ 0.76	$ 7.72
43	**Multi-Family**				
44	Minimum water charge, up to 1,000 gal.	Per month, per unit.	$ 17.88	$ 1.96	$ 19.84
45	1,000 to 7,000 gallons	Per 1,000 gallons for water usage in excess of 1,000 gallons but not more than 7,000 gallons per unit.	$ 4.32	$ 0.47	$ 4.79
46	7,000 to 15,000 gallons	Per 1,000 gallons for water usage in excess of 7,000 gallons but not more than 15,000 gallons per unit.	$ 5.63	$ 0.62	$ 6.25
47	15,000 to 30,000 gallons	Per 1,000 gallons for water usage in excess of 15,000 gallons but not more than 30,000 gallons per unit.	$ 6.96	$ 0.76	$ 7.72
48	Over 30,000 gallons	Per 1,000 gallons for water usage of 30,000 gallons or more per unit.	$ 6.96	$ 0.76	$ 7.72
49	**Irrigation**				
50	Minimum water charge	Per month, per unit.	$ 17.88	$ 1.96	$ 19.84
51	1,000 to 7,000 gallons	Per 1,000 gallons for water usage in excess of 1,000 gallons but not more than 7,000 gallons per unit.	$ 4.92	$ 0.54	$ 5.46
52	7,000 to 15,000 gallons	Per 1,000 gallons for water usage in excess of 7,000 gallons but not more than 15,000 gallons per unit.	$ 6.36	$ 0.70	$ 7.06
53	15,000 to 30,000 gallons	Per 1,000 gallons for water usage in excess of 15,000 gallons but not more than 30,000 gallons per unit.	$ 7.80	$ 0.86	$ 8.66
54	Over 30,000 gallons	Per 1,000 gallons for water usage of 30,000 gallons or more per unit.	$ 9.22	$ 1.01	$ 10.23

MASTER FEE SCHEDULE EXHIBIT A

UTILITIES

	FEE	BASIS/COMMENTS	Fee Effective 10/01/2023	Proposed Change FY 24-25	Proposed Fee 10/01/2024
55	**Schools**				
56	Minimum water charge, up to 1,000 gal.	Per month, per unit.	$ 17.88	$ 1.96	$ 19.84
57	1,000 to 7,000 gallons	Per 1,000 gallons for water usage in excess of 1,000 gallons but not more than 7,000 gallons per unit.	$ 7.00	$ 0.77	$ 7.77
58	7,000 to 15,000 gallons	Per 1,000 gallons for water usage in excess of 7,000 gallons but not more than 15,000 gallons per unit.	$ 8.29	$ 0.91	$ 9.20
59	15,000 to 30,000 gallons	Per 1,000 gallons for water usage in excess of 15,000 gallons but not more than 30,000 gallons per unit.	$ 9.56	$ 1.06	$ 10.62
60	Over 30,000 gallons	Per 1,000 gallons for water usage of 30,000 gallons or more per unit.	$ 10.85	$ 1.20	$ 12.05
61	**Municipal**				
62	Minimum water charge	Per month, per unit.	$ 17.88	$ 1.96	$ 19.84
63	1,000 to 7,000 gallons	Per 1,000 gallons for water usage in excess of 1,000 gallons but not more than 7,000 gallons per unit.	$ 8.29	$ 0.91	$ 9.20
64	7,000 to 15,000 gallons	Per 1,000 gallons for water usage in excess of 7,000 gallons but not more than 15,000 gallons per unit.	$ 9.56	$ 1.06	$ 10.62
65	15,000 to 30,000 gallons	Per 1,000 gallons for water usage in excess of 15,000 gallons but not more than 30,000 gallons per unit.	$ 10.85	$ 1.20	$ 12.05
66	Over 30,000 gallons	Per 1,000 gallons for water usage of 30,000 gallons or more per unit.	$ 12.12	$ 1.33	$ 13.45
67	**WATER DEPOSITS AND FEES**				
68	Deposit, residential		$ 75.00	$ -	$ 75.00
69	Deposit, commercial		$ 125.00	$ -	$ 125.00
70	Deposit, Realtor	For one house; $25.00 for each additional house.	$ 75.00	$ -	$ 75.00
71	Convenience fee (credit card over the phone)	Per transaction	$ 15.00	$ -	$ 15.00
72	Returned check fee	Per check.	$ 35.00	$ -	$ 35.00
73	Delinquent charge (Commercial)	Based on total bill, including water, sewer, garbage, and drainage fees.	10%		10%
74	Delinquent charge (Residential)	Change from 5% of outstanding bill to a flat fee (Based on total bill, including water, sewer, garbage, and drainage fees.)	10%		10%
75	Deposit, fire hydrant meter	Based on cost of hydrant meter/backflow assembly & labor	$ 2,500.00	$ -	$ 2,500.00
76	**Reconnections**				
77	During business hours: single-family, duplexes, multi-family 9 units or less	Additional $35.00 if meter was pulled.	$ 35.00	$ -	$ 35.00
78	During business hours: multi-family with 10 units or more		$ 70.00	$ -	$ 70.00
79	After hours / holidays: single-family, duplexes, multi-family 9 units or less		$ 45.00	$ -	$ 45.00
80	After hours / holidays: multi-family with 10 units or more		$ 120.00	$ -	$ 120.00
81	Charge if customer turns water on illegally, meter in place	Per occurrence	$ 50.00	$ -	$ 50.00
82	Charge if customer illegally installs bypass, meter or no meter	Per occurrence	$ 150.00	$ -	$ 150.00
83	**SEWER RATES**				
84	**Fixed rates**				
85	Residential	Per connection (without tax)	$ 22.45	$ 1.13	$ 23.58
86	Residential (Senior Over 65)	Per connection (without tax)	$ 20.21	$ 1.01	$ 21.22
87	Multi-family	Per living unit (without tax)	$ 10.58	$ 0.53	$ 11.11
88	Commercial, Schools, Municipal	Per connection (without tax)	$ 10.58	$ 0.53	$ 11.11
89	**Variable rates**				
90	Residential	Per 1,000 gallons.; based on winter months average without tax	$ 9.59	$ 0.48	$ 10.07
91	Residential (Senior Over 65)	Per 1,000 gallons.; based on winter months average without tax	$ 8.63	$ 0.43	$ 9.06
92	Multi-family	Per 1,000 gallons; based on 90% of water consumption without tax	$ 10.79	$ 0.54	$ 11.33
93	Commercial, Schools and Municipal	Per 1,000 gallons; based on 85% of water consumption without tax	$ 10.58	$ 0.53	$ 11.11
94	**SOLID WASTE RATES**				
95	Single-family & duplex, curbside service	Per dwelling unit without tax	$ 27.58	$ 1.38	$ 28.96
96	Single-family & duplex, alley service	Per dwelling unit without tax	$ 34.58	$ 1.73	$ 36.31
97	Multi-family, curbside service	Per dwelling unit without tax	$ 27.58	$ 1.38	$ 28.96
98	Multi-family, alley pickup	Per dwelling unit without tax	$ 34.58	$ 1.73	$ 36.31
99	**Commercial accounts serviced by residential trucks**				
100	Per commercial account	Per month, without tax	$ 41.69	$ 2.08	$ 43.77
101	**Commercial accounts**				
102	Commercial containers / collection	Rates specified in contract with service provider and subject to CPI increases.	See Comments		See Comments
103	Commercial containers / burned	Rates specified in contract with service provider and subject to CPI increases.	See Comments		See Comments
104	**PRIVATE COLLECTION LICENSES**				
105	**Class A**				
106	Each vehicle, up to 1/2 ton	Per year.	$ 25.00	$ -	$ 25.00
107	Each vehicle, 1/2 ton to 2 tons	Per year.	$ 35.00	$ -	$ 35.00
108	Each vehicle, 2 tons or more	Per year.	$ 50.00	$ -	$ 50.00
109	**Class B**	Per year minimum. Fee shall be amount equal to one month's charge for city service of the same class.	$ 12.00	$ -	$ 12.00
110	**Class C**	Per year (for collection and transportation of grass clippings).	$ 25.00	$ -	$ 25.00

MASTER FEE SCHEDULE EXHIBIT A

UTILITIES

	FEE	BASIS/COMMENTS	Fee Effective 10/01/2023	Proposed Change FY 24-25	Proposed Fee 10/01/2024
111	**LANDFILL FEES**	Gate rate at Skyline Landfill			
112	**STORMWATER CHARGES**				
113	Residential	Per month, per dwelling unit	$ 3.50	$ 1.50	$ 5.00
114	Multi-family	Per month x # of ERU (Equivalent Residential Unit of 4,300 square feet); $10.00 minimum premise account for properties with only a single premise. $3.50 minimum per premise account for property parcel with multiple premises.	$ 3.50	$ 1.50	$ 5.00
115	Churches	Per month x # of ERU (Equivalent Residential Unit of 4,300 square feet); $10.00 minimum premise account for properties with only a single premise. $3.50 minimum per premise account for property parcel with multiple premises.	$ 3.50	$ 1.50	$ 5.00
116	Schools	Per month x # of ERU (Equivalent Residential Unit of 4,300 square feet); $10.00 minimum premise account for properties with only a single premise. $3.50 minimum per premise account for property parcel with multiple premises.	$ 3.50	$ 1.50	$ 5.00
117	Commercial	Per month x # of ERU (Equivalent Residential Unit of 4,300 square feet); $10.00 minimum premise account for properties with only a single premise. $3.50 minimum per premise account for property parcel with multiple premises.	$ 3.50	$ 1.50	$ 5.00
118	**RETAIL ELECTRIC PROVIDERS**	Registration does not apply to REPs serving municipal accounts. Any REP that remains delinquent on payment of annual registration fee after Mach 31 shall be subject to suspension of registration.			
119	Registration fee	Due by January 31 of each year.	$ 25.00	$ -	$ 25.00
120	Subsequent registration fee		$ 20.00	$ -	$ 20.00
121	Late payment fee	For fees not received prior to January 31.	$ 10.00	$ -	$ 10.00
122	Delinquency fee	Plus late payment fee and amount of penalty first imposed.	$ 15.00	$ -	$ 15.00

MASTER FEE SCHEDULE EXHIBIT A

FIRE AND EMS

	FEE	BASIS/COMMENTS	Fee Effective 10/1/2023	Proposed Change FY 24-25	Proposed Fee 10/01/2024
	FIRE DEPARTMENT				
1	**AMBULANCE FEES**				
2	BLS-E Emergency Service	No resident distinction - Per transport	$ 1,400.00		$ 1,400.00
3	ALS-E Emergency Service	No resident distinction - Per transport	$ 1,600.00		$ 1,600.00
4	ALS-2 Emergency Service	No resident distinction - Per transport	$ 1,800.00		$ 1,800.00
5	ALS - Disposable	Per transport.	$ 400.00		$ 400.00
6	BLS - Disposable	Per transport.	$ 350.00		$ 350.00
7	O2 Check		$ 150.00		$ 150.00
8	Non Transport Fee	Per Call	$ 175.00		$ 175.00
9	Mileage	Per loaded mile.	$ 24.00		$ 24.00
10	**PERMIT FEES**				
11	Spray Booth or Hood Extinguisher System	Per permit.	$ 75.00	$ -	$ 75.00
12	Operational permit	Sections 105.6.1 through 105.6.46	IFC		IFC
13	Construction permit	Sections 105.7.1 through 105.7.12	IFC		IFC
14	Minor fire alarm review (repairs)	Per permit.	$ 25.00	$ -	$ 25.00
15	Fire alarm registration fee	Per year.	$ 35.00	$ -	$ 35.00
16	Fire alarm systems (1 to 10 devices)	Per permit.	$ 50.00	$ -	$ 50.00
17	Fire alarm systems (11 to 25 devices)	Per permit.	$ 75.00	$ -	$ 75.00
18	Fire alarm systems (26 to 100 devices)	Per permit.	$ 150.00	$ -	$ 150.00
19	Fire alarm systems (101 to 200 devices)	Per permit.	$ 200.00	$ -	$ 200.00
20	Fire alarm systems (201 to 400 devices)	Per permit.	$ 400.00	$ -	$ 400.00
21	Fire alarm systems (over 400 devices)	Per device	$ 1.00	$ -	$ 1.00
22	Fire sprinkler system (1 to 19 heads)	Per permit.	$ 50.00	$ -	$ 50.00
23	Fire sprinkler system (20 to 99 heads)	Per permit.	$ 75.00	$ -	$ 75.00
24	Fire sprinkler system (100 to 299 heads)	Per permit.	$ 150.00	$ -	$ 150.00
25	Fire sprinkler system (300 to 1000 heads)	Per permit.	$ 300.00	$ -	$ 300.00
26	Fire sprinkler system (over 1000 heads)	Per head	$ 0.30	$ -	$ 0.30
27	Fire Pumps, standpipe systems, special sys	Per permit.	$ 100.00	$ -	$ 100.00
28	Access control gates	Per gate	$ 100.00	$ -	$ 100.00
29	Additional acceptance tests	Per test	$ 75.00	$ -	$ 75.00
30	No permit penalty	Per permit.	Double applicable fee		Double applicable fee
31	No permit penalty subsequent violations	Per permit.	Triple applicable fee		Triple applicable fee
32	Multi-Use permit (any combination)	All permits	$ 250.00	$ -	$ 250.00
33	Contractor registration	Per year.	$ 100.00	$ -	$ 100.00
34	Environmental site assessment	Per hour	$ 75.00	$ -	$ 75.00
35	Combustible liquid storage tank	Per tank	$ 250.00	$ -	$ 250.00
36	Underground storage tank removal	Per tank	$ 200.00	$ -	$ 200.00
37	Temporary above ground tank	Per tank	$ 100.00	$ -	$ 100.00
38	LP Gas storage tank	Per tank	$ 250.00	$ -	$ 250.00
39	Pyrotechnics	Per event	$ 100.00	$ -	$ 100.00
40	Pyrotechnics	Per year unlimited events	$ 500.00	$ -	$ 500.00
41	After hours inspections (min charge two hours)	Per hour	$ 100.00	$ -	$ 100.00
42	Temporary membrane structures	Per structure	$ 100.00	$ -	$ 100.00
43	Controlled burning	Per day	$ 100.00	$ -	$ 100.00

MASTER FEE SCHEDULE
POLICE

EXHIBIT A

	FEE	BASIS/COMMENTS	Fee Effective 10/1/2023	Proposed Change	Proposed Fee 10/01/2024
1	**POLICE DEPARTMENT**				
2	Mobile Video System DVD's	$3 ea. + $15 hour labor charge (locating, compiling responsive information)	See Comments		See Comments
3	Body Worn Camera DVD's	$10 ea + $1 per minute released + $15hr labor charge	See Comments		See Comments
4	4 GB Flash Drive	Each	$ 6.00		$ 6.00
5	8 GB Flash Drive	Each	$ 8.00		$ 8.00
6	16 GB Flash Drive	Each	$ 10.00		$ 10.00
7	32 GB Flash Drive	Each	$ 12.00		$ 12.00
8	Offense report	Per page.	$ 0.10		$ 0.10
9	Accident report	Per report ($4.00 plus $2.00 certification fee)	$ 6.00		$ 6.00
10	Solicitor permit	Per person.	$ 75.00		$ 75.00
11	All fingerprinting fee	Per person.	$ 10.00		$ 10.00
12	Certified copy/ Notarized copy	Per report	$ 2.50		$ 2.50
13	VIN Inspections	Per Inspection	$ 40.00		$ 40.00
14	Secondary Metal Recyclers	Per year.		$ 250.00	$ 250.00
15	**ALARM SYSTEMS**				
16	Permit	Per year.	$ 35.00		$ 35.00
17	Excessive false alarm fee	Per false alarm; > 3 < 6 during 12-month period.	$ 50.00		$ 50.00
18	Excessive false alarm fee	Per false alarm; ≥ 6 < 8 during 12-month period.	$ 75.00		$ 75.00
19	Excessive false alarm fee	Per false alarm; ≥ 8 during a 12-month period	$ 100.00		$ 100.00
20	**911 SERVICE FEES (Updated 03/01/2015)**				
21	Resident	Per month per local exchange access line.	$ 1.00		$ 1.00
22	Business	Per month per local exchange access line.	$ 1.25		$ 1.25
23	Business trunk line	Per month per local exchange access line.	$ 1.50		$ 1.50
24	VoIP line Resident	Per month per each VoIP line.	$ 1.00		$ 1.00
25	VoIP business	Per month per each VoIP line.	$ 1.25		$ 1.25
26	VoIP Business Trunk Line	Per month per each VoIP business trunk line.	$ 1.50		$ 1.50
27	**TOWING FEES**	**Per contract with J & S Towing**			
	Administrative Processing Fee	**Per impoundment**	$ 25.00		$ 25.00
28	Wrecker charge	Per call.	$ 55.00	$ 30.00	$ 85.00
29	Wrecker charge, medium duty	Per call.	$ 140.00	$ 210.00	$ 350.00
30	Wrecker charge, heavy-duty per item (Tractor and/or Trailer)	Per call.	$ 170.00	$ 380.00	$ 550.00
31	Mileage outside Duncanville city limits	Per loaded mile.	$ 3.00	$ 2.00	$ 5.00
32	Call out, no tow, cleanup	Per call.	$ 30.00	$ 20.00	$ 50.00
33	Call out, no tow, disregard call	Per call.	No charge		No charge
34	Recovery/waiting time	Per hour.	$ 30.00	$ 20.00	$ 50.00
	Labor and Cleanup	Per hour.	$ -	$ 75.00	$ 75.00
35	City vehicle storage charge		No charge		No charge
36	Police Department tire change	Each tire change.	No charge		No charge
37	Tow charge, City vehicle under 1-ton	Per call.	No charge		No charge
38	Semi-tractor trailer "boot" application	Per call.	$ 300.00		$ 300.00
39	**ANIMAL CONTROL**				
40	**Tri Cities Regional Animal Shelter**				
41	Animal Impoundment, 1st offense	Per animal.	$ 30.00		$ 30.00
42	Animal Impoundment, 2nd offense	Per animal.	$ 100.00		$ 100.00
43	Animal Impoundment, 3rd offense	Per animal.	$ 200.00		$ 200.00
44	Animal Impoundment, 4th offense	Per animal.	$ 300.00		$ 300.00
45	Boarding fee	Per night.	$ 15.00		$ 15.00
46	Rabies observation fee	Per night.	$ 30.00		$ 30.00
47	Non-resident surrender fee, animal	Per animal. (reduction per Tri-City Animal Shelter)	$ 15.00		$ 15.00
48	Non-resident surrender fee, litter	Per litter (up to 4); $5.00 each additional animal.(no longer a fee)	$ -		$ -
49	Animal adoption	Each dog or cat. ($25.00 adoption + $25.00 sterilization voucher)	$ 150.00		$ 150.00
50	Microchip and registration	Each dog or cat.	$ 25.00		$ 25.00
51	Veterinarian disposal fee	Each dog, cat or small animal	$ 15.00		$ 15.00
52	**Animal Permits**				
53	Wild animal	Per year.	$ 10.00	$ 40.00	$ 50.00
54	Livestock	Per year.	$ 10.00	$ 65.00	$ 75.00
55	Cats over limit	Per year.	$ 10.00		$ 10.00
56	Dogs over limit	Per year.	$ 10.00		$ 10.00

MASTER FEE SCHEDULE
POLICE

EXHIBIT A

	FEE	BASIS/COMMENTS	Fee Effective 10/1/2023	Proposed Change	Proposed Fee 10/01/2024
57	Dangerous Animal	Per year.		$ 100.00	$ 100.00
58	**TAXICAB PERMITS**				
59	Operating permit fee	Per year.	$ 150.00		$ 150.00
60	Vehicle inspection fee	Annual, per vehicle.	$ 10.00		$ 10.00
61	Driver fee	Per year.	$ 10.00		$ 10.00
62	**SEXUALLY ORIENTED BUSINESSES**				
63	Sexually oriented business	Per year.	$ 525.00		$ 525.00
64	Massage establishment	Per year.	$ 625.00		$ 625.00
65	Class A Dance Hall	Per year.	$ 525.00		$ 525.00
66	Class B Dance Hall	Per year.	$ 525.00		$ 525.00
67	Class C Dance Hall	Per year.	$ 525.00		$ 525.00
68	Class D Dance Hall	Per year.	$ 675.00		$ 675.00
69	Class E Dance Hall	Per year.	$ 675.00		$ 675.00

EXHIBIT A

MASTER FEE SCHEDULE
FIELDHOUSE

CITY OF DUNCANVILLE - MASTER FEE SCHEDULE - FY 2024-25	BASIS/COMMENTS	Fee Effective 10/01/23	Proposed Change FY24-25	Proposed Fee 10/1/24
FIELDHOUSE				
COURT RENTAL - BASKETBALL				
Court Rentals - Tournaments, Leagues, Camps	Per court / hour	$ 55.00	$ 5.00	$ 60.00
Court Rentals - Weekends 9:00a to 9:00p	Per court / hour	$ 55.00	$ 5.00	$ 60.00
Court Rentals - Weekdays 9:00a to 6:00p	Per court / hour	$ 45.00	$ 5.00	$ 50.00
Court Rentals - Weekdays 6:00p to 9:00p	Per court / hour	$ 55.00	$ 5.00	$ 60.00
NET RENTAL - VOLLEYBALL				
Net Rentals - Tournaments, Leagues, Camps	Per net / hour	$ 40.00		$ 40.00
Net Rentals - Weekends 9:00a to 9:00p	Per net / hour	$ 40.00		$ 40.00
Net Rentals - Weekdays 9:00a to 6:00p	Per net / hour	$ 40.00		$ 40.00
Net Rentals - Weekdays 6:00p to 9:00p	Per net / hour	$ 40.00		$ 40.00
OTHER SPORTS REVENUE				
Court Rentals - Mixed Martial Arts	Per court / hour	$ 55.00	$ 5.00	$ 60.00
Court Rentals - Soccer/Futsal	Per court / hour	$ 55.00	$ 5.00	$ 60.00
Court Rentals - Cheer/Dance	Per court / hour	$ 55.00	$ 5.00	$ 60.00
Security - Exclusive Protection	Per officer / hour	$ 30.00	$ 5.00	$ 35.00
Security - Duncanville Police	Per officer / hour	$ 50.00	$ -	$ 50.00
Day Porter - Gobal Building Maintenance	Per maid x 1 Per hour	$ 20.00	$ -	$ 20.00
Day Porter - Gobal Building Maintenance	Per maid x 2 Per hour	$ 15.00	$ -	$ 15.00
Parking - Event	Per car	$ 10.00	$ -	$ 10.00
SUITE RENTALS				
Suite #101C - Center	Per hour - 50% deposit required	$ 75.00	$ 25.00	$ 100.00
Suite #206 - Event	Per hour - 50% deposit required	$ 200.00	$ 50.00	$ 250.00
Suite #206 - Fieldhouse Club	Per hour - 50% deposit required	$ 75.00	$ 25.00	$ 100.00
Outside - Patio	Per hour - 50% deposit required	$ 100.00	$ -	$ 100.00
Suites - 50% discount w/event rental agreement	Included in event License Use Agreement			
SUMMER CAMP				
Registration / includes Camp t'shirt	One-time fee	$ 85.00	$ -	$ 85.00
Early Bird Special - 8 Week Package	Paid in full prior to camp start date	$ 705.00	$ 20.00	$ 725.00
4 Week Session - June or July	Paid in full prior to session start date	$ 356.00	$ 9.00	$ 365.00
Per Week - 5 days	Paid weekly	$ 99.00	$ -	$ 99.00
Extended Camp - August	Paid weekly	$ 89.00	$ -	$ 89.00
Field trips	As scheduled	$ 30.00	$ -	$ 30.00
T'shirts	POS	$ 12.00	$ -	$ 12.00
Meal Deal - Daily	POS	$ 6.00	$ -	$ 6.00
AFTERSCHOOL PROGRAM				
Registration	One-time fee	NA	$ -	$ 85.00
Per Week - 5 days	Paid weekly	NA	$ -	$ 89.00
OTHER REVENUE				
Event Vendor Table	Per day	$ 125.00	$ 25.00	$ 150.00
P.A. System Rental	Per day	$ 125.00	$ -	$ 125.00
Projector w/ screen	Per day	$ 125.00	$ -	$ 125.00
Linen Rental	Per table cloth	$ 15.00	$ -	$ 15.00
Alcohol Permits	Per event	$ 50.00	$ -	$ 50.00
Copies	Per copy	$ 0.25	$ -	$ 0.25

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider appointments to various Boards and Commissions including Zoning Board of Adjustment, City Planning & Zoning Commission, Community Engagement Board, Duncanville Community and Economic Development Corporation Board (DCEDC), Duncanville Neighborhood Vitality Commission, Keep Duncanville Beautiful Board, Library Advisory Board, Multicultural Commission, Park & Recreation Advisory Board, Sign Control Board, and TIF (Tax Increment financing Reinvestment Zone Number One).

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Chiquita Taylor, City Secretary

BACKGROUND/HISTORY:
Each year the board and commission members whose terms are ending in August of that year are given the opportunity to request reappointment to their current board or commission. In addition, the City advertises the need for new board and commission applicants through various media including the City's website, the Champion monthly newsletter, announcements during City Council meetings, and as a utility billing insert. In addition, the City communicated the need for additional board and commission members to the citizens on the City's LED sign at the corner of Main and Wheatland, posters in the City Hall lobby; as well as other forms of social media. These communication tools were successful resources for recruiting new applicants to fill the vacancies.

The City Council held Special Meetings to interview each of the new applicants and the applicants requesting a new board. Once appointments have been made by City Council, the new terms for each will begin on September 1, 2024.

POLICY EXPLANATION:

City Council will need to formally appoint citizens to the Zoning Board of Adjustment, City Planning & Zoning Commission, Community Engagement Board, Duncanville Community and economic Development Corporation Board (DCEDC), Duncanville Neighborhood Vitality Commission, Keep Duncanville Beautiful Board, Library Advisory Board, Multicultural Commission, Park & Recreation Advisory Board, Sign Control Board, and TIF (Tax Increment Financing Reinvestment Zone Number One) to fill the vacancies created by terms expiring in August 2024 as well as resignations over the past year.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
Make appointments

ATTACHMENTS:
Resolution No. - 2024-321 - Boards and Commissions Appointments - Pdf (1)
Board Appointments 2024

RESOLUTION NO. 2024-321

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, APPROVING THE APPOINTMENT OF THE BOARD AND COMMISSIONS WHICH ARE SET FORTH IN EXHIBIT A, WHICH IS ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE; AND MEMBERS SHALL SERVE UPON SUCCESSFUL QUALIFICATION AND AFTER TAKING THE OATH; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of Duncanville, Texas has different Board and Commissions including Zoning Board of Adjustment, City Planning & Zoning Commission, Duncanville Community and Economic Development Corporation Board (DCEDC), Duncanville Neighborhood Vitality Commission, Keep Duncanville Beautiful Board, Library Advisory Board, Multicultural Commission, Park & Recreation Advisory Board, Sign Control Board, And Tax Increment Financing Reinvestment Zone Number One (TIF#1); and

WHEREAS, each year the Board and Commission members are given the opportunity to request reappointment to their current board or commission; and

WHEREAS, appointments to vacancies on the City's various Board and Commission are made each year by the end of the month of August; and

WHEREAS, the City Council of the City of Duncanville, Texas, finds it to be in the public interest to make appointments to fill said vacancies.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council hereby approves the appointment of the board and commission which are set forth in Exhibit A, which is attached hereto and incorporated herein by reference, and elected members shall serve upon successful qualification and taking the oath.

SECTION 2. This Resolution shall take effect immediately upon passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

Resolution No. 2024-321

City Council B&C Appointments

Exhibit A

City Planning and Zoning Commission
Appointment for 2 Year Terms 2024-2026
1. Erika Browning
2. Stephanie Champagne
3.
4. Yolanda Columbus

Zoning Board of Adjustments
Appointments for 2 Year Terms 2024-2026
1. Robert Stringer
2. Constance Willis
3. E Lawrence Smith

Parks and Recreation Advisory Board
Appointments for 2 Year Terms 2024-2026
1. Kim Malone
2. Luis Salazar
3. Beth Farrell
Appointments for 1 Year Terms 2024-2025
1. Cozea Stephens
2. Michael Matern

Library Advisory Board
Appointments for 2 Year Terms 2024-2026
1. Cindy Clinton
2. Jan Knoll
3. Tedra Williams
4. Riley Pierce
Appointments for 1 Year Terms 2024-2025
1.

Community Engagement Advisory Board
Appointments for 2 Year Terms 2024-2026
1. Ruben Medina
2. Mari Vega
3. Amy Ruiz

Multicultural Commission
Appointments for 3 Year Terms 2024-2026
1. Jacqueline Jones-Harvey
2. Julie Smith
3. Kendra People
4. Alma Loren Braddy
5. Alicia Young
Appointments for 1 Year Terms 2024-2025
1. Amy Brewer
2.

Sign Control Board
Appointments for 2 Year Terms 2024-2026
1. Gerald Hill
2.

DCEDC
Appointments for 2 Year Terms 2024-2026
1. Marlon Goff
2. Patrick Harvey
3.
4. Gregory Zylka

TIF
Appointments for 2 Year Terms 2024-2026
1. Kenneth Bain

Keep Duncanville Beautiful
Appointments for 2 Year Terms 2024-2026
1. Amy Robledo
2. Martha Vasquez
3. Bobby Cutler-Hill
Appointments for 1 Year Terms 2024-2025
1. DeAnna Knauer

City Council B&C Appointments

Exhibit A

Duncanville Neighborhood Vitality Commission
Appointments for 2 Year Terms 2024-2026
1. Jondwalyn Holbert
2. Tonja Rogers
3. Jennifer Lott Hagler
Appointments for 1 Year Terms 2024-2025
1. Carol Roberson

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Conduct a Public Hearing and consider adopting an Ordinance amending the Comprehensive Zoning Ordinance and Map, as heretofore amended, by amending the existing Local Office Retail (LOR) District to grant a Specific Use Permit to allow for a Banquet or Event Center on real property located on Grace Properties, Block A, Lot 1, ACS 2.001, more commonly known as 119 East Danieldale Road, Duncanville, Dallas County, Texas.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Promote: Innovative Ideas for Development and Re-development**
  - **Pursue a diverse and robust economy through various business, housing, and employment opportunities that encourage forward-thinking community and economic development.**
- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Nathan Warren, Director of Planning and Zoning

BACKGROUND/HISTORY:
Comprehensive Plan
The subject property has a Future Land Use Designation of Main Street District. The Plan states that vision of the Main Street District is a mixed use activity hub, but more auto-oriented and serving two primary purposes: High quality commercial, particularly restaurants, to capitalize on the Fieldhouse.

Project Scope
The applicants are seeking approval to allow for the use of Banquet or Event Center at the subject property. The associated structure consists of a recreational building, approximately 4,430 square feet in size. Exterior features include existing trees, a front drive that accesses the property from Danieldale, and a parking lot in the rear of the building which abuts a residential neighborhood.

Surrounding Land Use and Zoning

The subject property is bounded by a Planned Development featuring multifamily and single-family residences to the north, properties currently zoned as Local Office Retail to the east and west, a property to the south with an SUP for a pharmacy, as well as the Service Center property to the south.

Zoning and Land Use
Section 6.05 of the Zoning Ordinance states that in considering an application for a Specific Use Permit, the Planning and Zoning Commission and the City Council shall consider that the proposed use is:

- consistent and compatible with the adjacent land use and zoning.
- consistent with the architecture and characteristics of the adjacent properties.
- may promote innovative use of modern development concepts, without having an adverse impact on adjacent properties.
- consistent with the goals and objectives of the City of Duncanville.
- an enhancement or improvement beyond the minimum standards set forth by the Zoning Ordinance.
- will not be detrimental to the general health, safety, and welfare of the community.
- would stabilize and improve property values within the City of Duncanville.
- would protect and enhance the city's attractiveness to residents, businesses, tourists, and visitors.
- would strengthen and help diversify the economy of the City of Duncanville.

Additional conditions placed by the Planning and Zoning Commission
- Sunset clause of 10 years if approved by City Council.

POLICY EXPLANATION:
33 Mailings Sent Out
0 Replied in Favor
12 Replied in Opposition

The Planning and Zoning Commission tabled this at the April 29, 2024 special meeting and reconsidered it at their July 8, 2024 meeting. The Commission recommended approval by a 3 - 1 vote, with three members absent. The Commission affirmed this vote by approving meeting minutes of the July 8, 2024, meeting at the September 9, 2024, meeting.

FUNDING SOURCE:

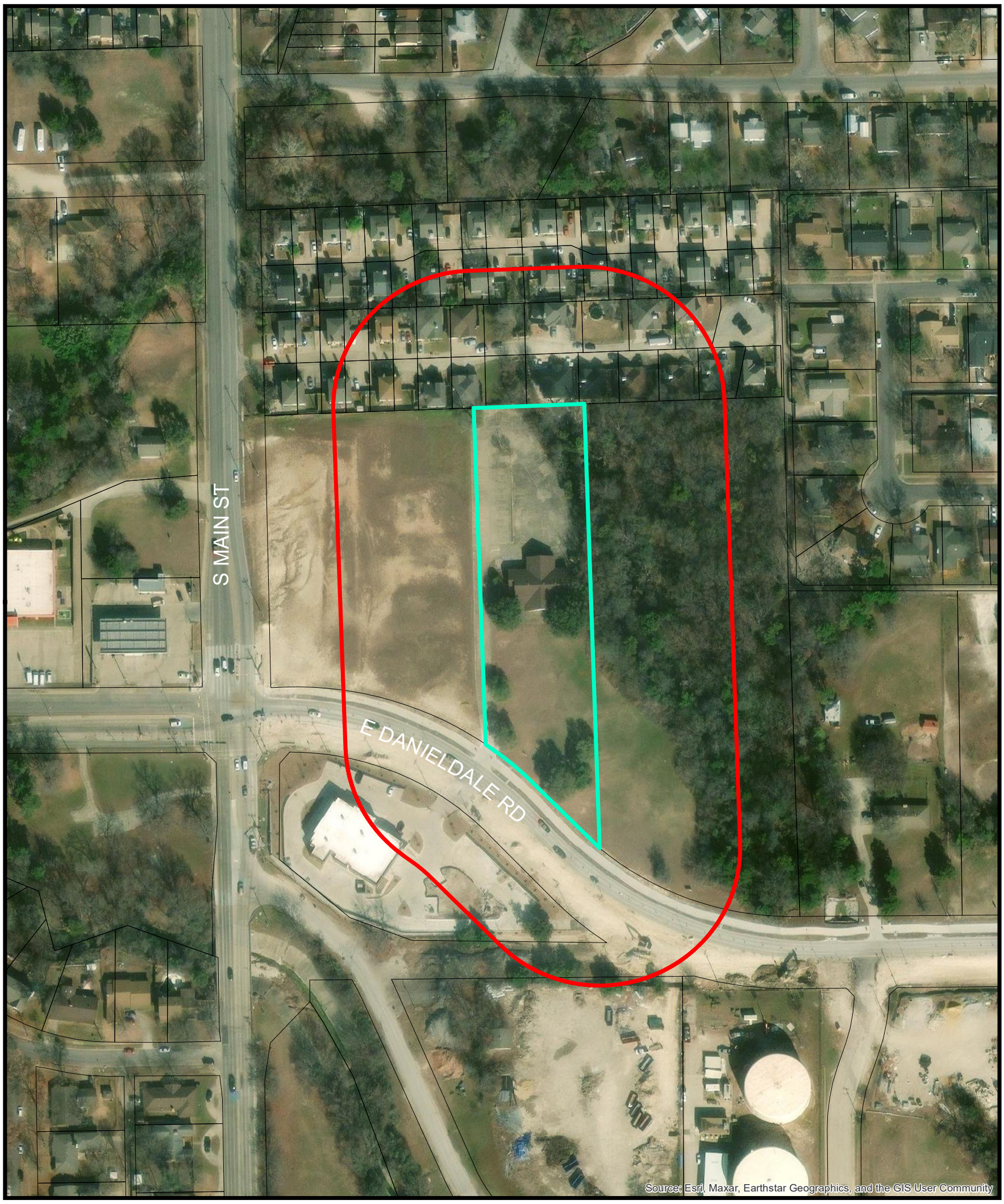
ORG and Object Number
N/A

Available Budget	Purchase Amount	After Encumber
N/A	N/A	N/A

ACTION ALTERNATIVES:
1. Do not adopt the ordinance.
2. Other actions as directed by Council.

ATTACHMENTS:
119Danieldale_NoticeMapAerial
2024-07 NEWSPAPER Notice_119 E Danieldale Rd_September 17 CC

Ordinance No. - 2522 - Special Use Permit - Banquet or Event Center
119 E Danieldale Rd - Letter from Applicant
119 E Danieldael Rd - Zoning Application
119 E Danieldale Rd - Floor Plan (Existing & Proposed)
2024-07-08 - Planning and Zoning Minutes (Revised)



SUBJECT PROPERTY

200' BUFFER

Advertise 1 time - By September 2

NOTICE OF A PUBLIC HEARING BEFORE THE
CITY COUNCIL
ZONING FILE #2024-07

A public hearing will be held before the City Council on Tuesday, September 17, 2024, at 7:00 p.m., in the Council Chambers, City Hall, 203 E. Wheatland Rd, Duncanville, Texas, to hear a request of Shawkat Albess, Applicant, for a Specific Use Permit to allow for the use of "Banquet or Event Center" on Grace Properties, Block A, Lot 1, ACS 2.001, more commonly known as 119 East Danieldale Road, City of Duncanville, Dallas County, Texas.

The subject property is located within the LOR, Local Office Retail district. Per Sec. 3.03, Permitted Use Chart, the use "Banquet or Event Center" requires the approval of a Specific Use Permit to operate within LOR zoning.

As an interested citizen, you may appear at the public hearing or you may send a notice to either the City Secretary, Chiquita Taylor, or to Nathan Warren, Director of Planning and Zoning, P.O. Box 380280, Duncanville, Texas, 75138-0280 stating your position.

CITY OF DUNCANVILLE
Chiquita Taylor
City Secretary

Nathan Warren
Director of Planning and Zoning

ORDINANCE NO. 2522

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND MAP, AS HERETOFORE AMENDED, BY AMENDING THE EXISTING LOCAL OFFICE RETAIL DISTRICT TO GRANT A SPECIFIC USE PERMIT TO ALLOW FOR A BANQUET OR EVENT CENTER ON REAL PROPERTY LOCATED ON GRACE PROPERTIES, BLOCK A, LOT 1, ACS 2.001, MORE COMMONLY KNOWN AS 119 EAST DANIELDALE ROAD, DUNCANVILLE, DALLAS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN; PROVIDING FOR SPECIAL CONDITIONS, IF ANY; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS ($2,000.00) FOR EACH OFFENSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission and City Council of the City of Duncanville, in compliance with state laws with reference to amending the Comprehensive Zoning Ordinance, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all property owners generally, the City Council is of the opinion and finds that the Comprehensive Zoning Ordinance and Map should be amended as provided herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. That the Comprehensive Zoning Ordinance and Map of the City of Duncanville, Texas, as heretofore amended, by amending the existing Local Office Retail (LOR) District to grant a Specific Use Permit to allow for a Banquet or Event Center on real property located on Grace Properties, Block A, Lot 1, ACS 2.001, more commonly known as 119 East Danieldale Road, Duncanville, Dallas County, Texas, and being more particularly described in Exhibit “A”, attached hereto and made a part hereof for all purposes (the “Property”).

SECTION 2. That the above-described property shall be used and developed only in the manner and for the purposes provided for by the Comprehensive Zoning Ordinance of the City of Duncanville and regulations under the Code of Ordinance, as heretofore amended.

SECTION 3. That should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision

thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance as a whole.

SECTION 4. That all provisions of the Ordinance of the City of Duncanville in conflict with provisions of this Ordinance be, and same are hereby repealed, and all other provisions of the ordinances of the City of Duncanville not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 5. That the above-described property shall be used only in the manner and for the purposes provided for in the Comprehensive Zoning Ordinance of the City of Duncanville, as amended herein by the granting of this Special Use Permit.

SECTION 6. That any person, firm or corporation violating any of the provisions or terms of this Ordinance or of the Comprehensive Zoning Ordinance as amended hereby shall be deemed guilty of a misdemeanor, and subject to the same penalty as provided for in the Comprehensive Zoning Ordinance, and upon conviction shall be punished by fine not to exceed the sum of Two Thousand Dollars ($2,000.00) for each offense, and each and every day such violation shall continue shall constitute a separate offense.

SECTION 7. That this Ordinance shall take effect immediately from and after its passage and the publication of the caption of said Ordinance, as the law in such cases provides.

DULY ORDAINED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

EXHIBIT A

Real property located at Grace Properties, Block A, Lot 1, ACS 2.001, more commonly known as 119 East Danieldale Road.

LETTER OF INTENT

APLICATION FOR REZONING

CITY OF DUNCANVILLE TEXAS, DALLAS COUNTY

Shawkat Albess on behalf of Rami's Lube Inc, as President requests a Rezoning of the approximately 2.001 acres located at 119 E Danieldale Road, Parcel identification Number 220747600A0010000 From Local Retail Office to Specific Use Permit – Commercial, to allow for an Event Center.

Legal Description:

GRACE PROPERTIES, BLK A, LOT 1 ACS 2.001

The surrounding properties 200 feet from the subject building are vacant lots and business offices. The proposed project area shown on the site plan with a 4,430-sf building as shown on the proposed site plan. The hours of availability will be Monday through Thursday and Sunday only between 9:00am to 8:00pm and Friday and Saturday 9:00am to 1:00am. Rami's Lube agrees to install soundproof pads on some walls to prevent loud sounds from coming outside.

The Applicant respectfully asks the Mayor Barry L. Gordon and City Council of Duncanville to approve the Rezoning as requested.

Sincerely,

Rami's Lube, Inc

Shawkat Albess

President

469-288-8484 -Mobil

shawkat193@gmail.com

yas-mar@live.com

Development Services
Planning Divsion
City Hall Annex - 103 E. Wheatland Rd., Duncanville, TX 75116
P.O. Box 380280, Duncanville, TX 75137
972-780-5057, 972-707-3878
planningandzoning@duncanvilletx.gov

Duncanville
City of Champions

ZONING CHANGE APPLICATION

CONTACT INFORMATION

Applicant/ Agent Shawkat Albess **Contact:** 972-904-1150

☐ **Engineer** ☐ **Architect** ☐ **Surveyor** ☑ **Owner** ☐ **Other**

Applicant/Agent Address: 8871 Mary Dr. **City:** Waxahachie **State:** Tx **Zip:** 75167

Agent Email: yas-mar@live.com **Telephone:** 469-288-8484 **(Fax)** _____

Property Owner: Rami's Lube, Inc Contact: _____

Owner Address 4490 W. Illinois Ave City: Dallas State: TX Zip: 75211

Owner Email: yas-mar@live.com Telephone: 214-467-7613 (Fax) _____

REQUIRED

PROPERTY INFORMATION

Property Address: 119 E. Danieldale Rd

Legal Description of Property: Grace Properties

Lot No. 1 Block No. A Acreage: 2.001 Existing Zoning District: LOR

REQUIRED

REQUEST TYPE

☑ Specific Use Permit - Commercial
For Event Center

☐ Specific Use Permit - Residential
For _____

☐ Change in Zoning
From _____ To _____

☐ Planned Development (PD)
☐ Amend PD Approval
☐ Development Plan Approval
☐ Conceptual Plan Approval
☐ Alternative Compliance Request
☐ Text Amendment

REQUIRED

SUBMITTAL DOCUMENTS

ALL ZONING REQUESTS MUST CONTAIN THE FOLLOWING DOCUMENTATION

☐ Completed application
☐ Application fee $1,150.00
☐ Property survey, or site plan or electronic copy of the metes and bounds legal description Microsoft word format or plat
☐ Written description of request (associated variance requests require justification), business statement or business plan with detailed description of proposed operation
☐ Electronic copies of all submittals via email

REQUIRED

Completed applications may be emailed to planningandzoning@duncanvilletx.gov.

Acknowledgments

I understand that all required information and plans must be submitted with this application or the application be deemed incomplete.

I hereby authorize the placing of a sign on subject property indicating a zoning change is under consideration.

I understand the requirements of the zoning classifications as stated in the City of Duncanville Zoning Ordinance related to this request and will comply with all necessary requirements of the City codes. I am aware that the City Council has the power to zone land as most appropriate in their wisdom, to promote the health, safety, and morals and for the protection and preservation of places of historical or cultural importance, and the general welfare of the community.

I have read and understand this application and certify that all information and attachments are true and correct. I certify that I am the owner of the property involved in this request or have authorization to act as the owner's agent for the request described. Applicants (or a representative) are expected to be present at all public hearings concerning this application to justify and explain their request and to answer questions posed by the City Planning and Zoning Commission and City Council.

Signature of Current Property Owner

11-07-2023
Date

Notarization

BEFORE ME, Shawkat Albess, on this day personally appeared Shawkat Albess, known to or proved to me on the oath of _____ or through Texas ID (description of identity card or other document) to be the person(s) whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 7 day of November 2023.

(Seal)

Rosa A Amparan
Notary Public in and for the State of Texas
My Commission Expires: 12-12-2026

ROSA A AMPARAN
Notary ID # 12591826-6
My Commission Expires
12-12-2026

Following is to be completed only if a person other than the owner is submitting this application.

Owner Validation

Applicant has permission to pursue a zoning change on the property located at 119 E Danieldale Rd, Duncanville, TX with the City of Duncanville.

Signature of Owner/Agent — 11-07-2023 Date

BEFORE ME, Shawkat Albess, on this day personally appeared Shawkat Albess, known to or proved to me on the oath of _____ or through TX ED (description of identity card or other document) to be the person(s) whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 7 day of November, 2023.

(SEAL)

ROSA A AMPARAN
Notary ID # 12591826-6
My Commission Expires
12-12-2026

Rosa A Amparan
Notary Public in and for the State of Texas

My Commission Expires: 12-12-2026

SUBMITTAL CHECKLIST

Specific Use Permit - Commercial

Please check if applicable

YES	N/A	
☒	☐	Written Letter with detailed description of proposed operation
☒	☐	Site Plan
☐	☐	Building Elevation and Signage Plan
☒	☒	Landscape Plan
☒	☐	Floor Plans
☐	☐	Other _____

Specific Use Permit - Residential

Please check if applicable

YES	N/A	
☐	☐	Written Letter of Intent with detailed description of request
☐	☐	HOA approval letter (if applicable)
☐	☐	Drawings, spec sheets, diagrams or other documents in electronic format (PDF)
☐	☐	Letter from owner (if applicant is not owner) and/or approval letter from HOA (if applicable)
☐	☐	Other _____

Planned Development

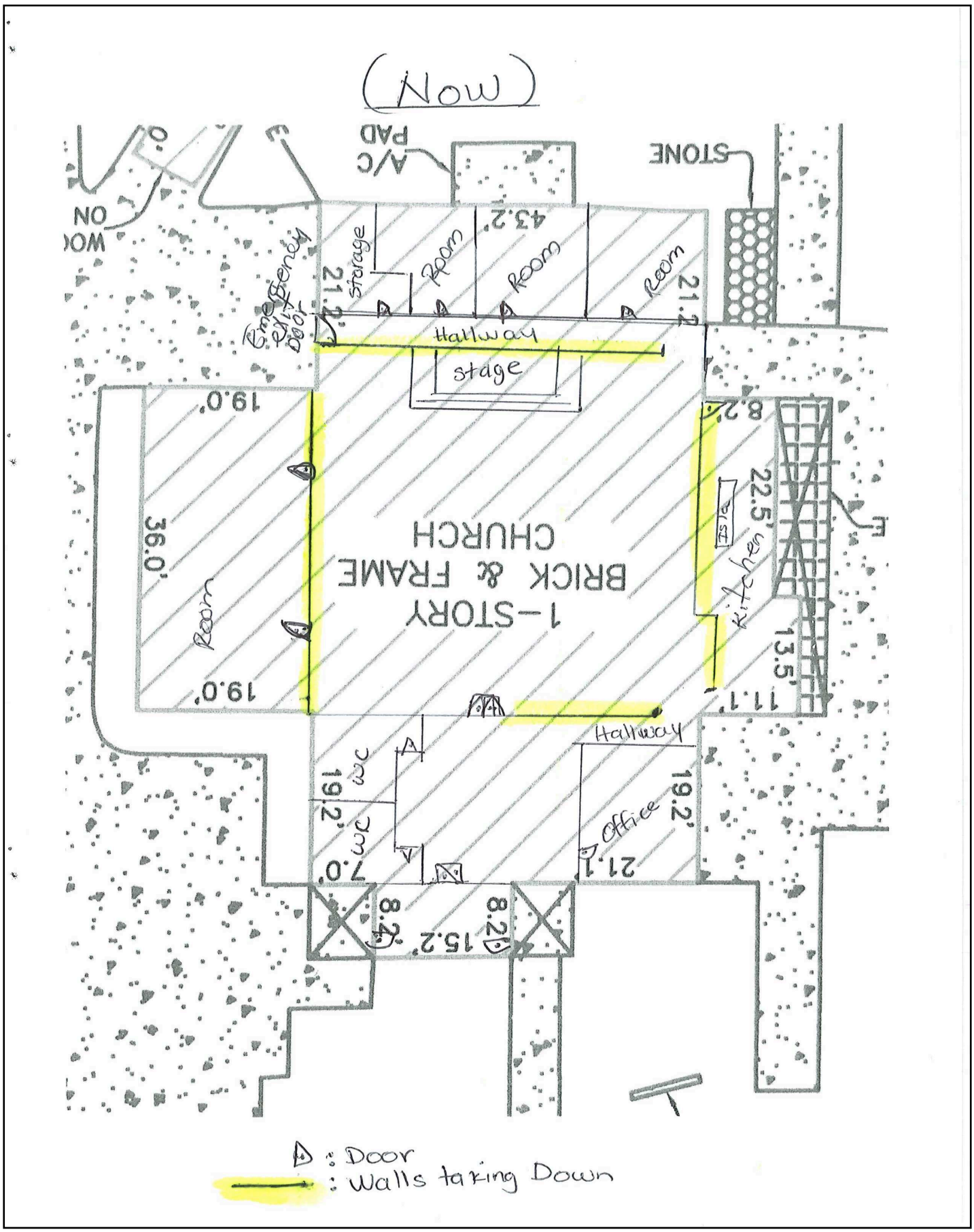
YES	N/A	
☐	☐	Written Letter with detailed description of proposed development with proposed conditions
☐	☐	Conceptual Plan

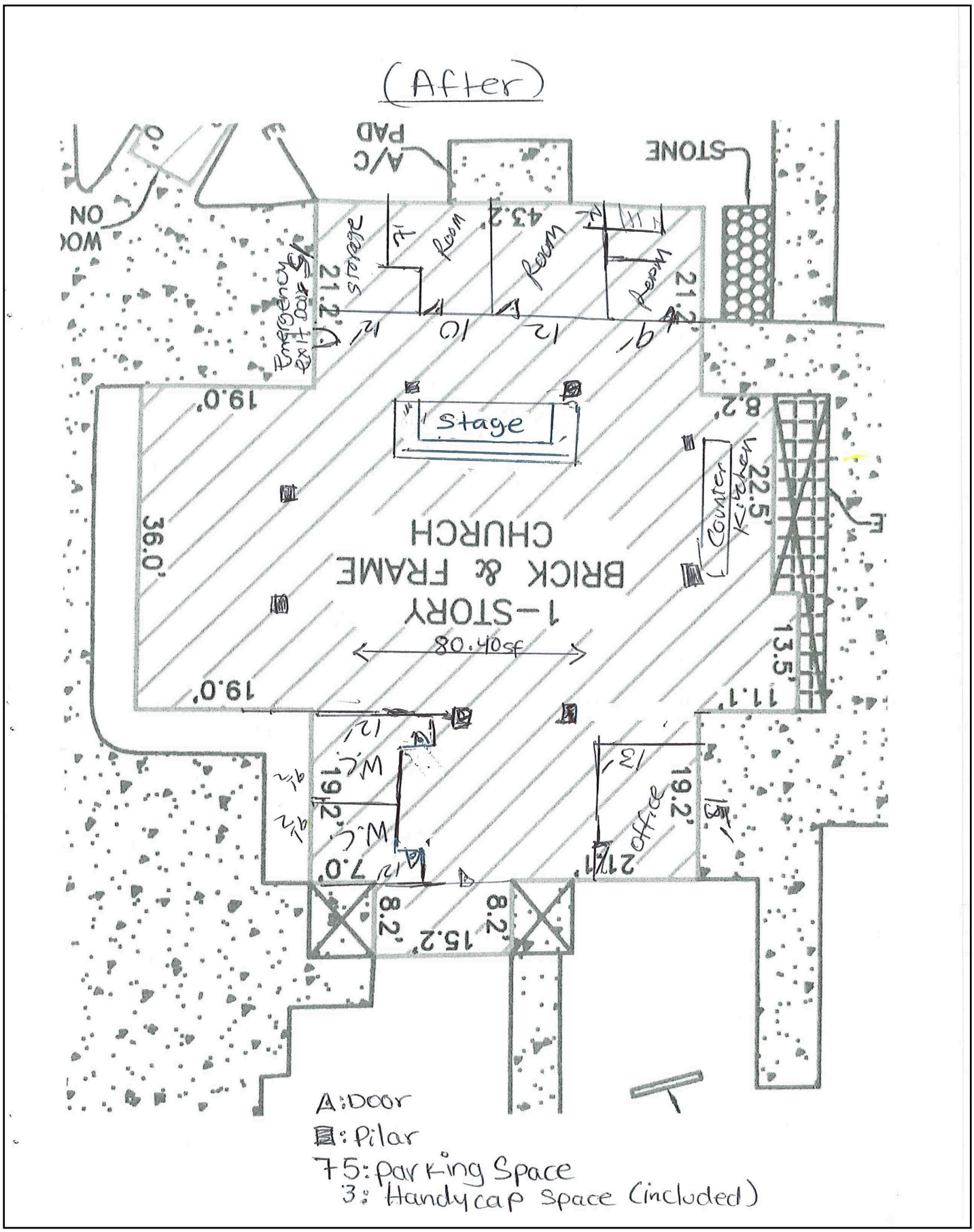
(The purpose of a Conceptual Plan is to provide a general layout of the proposed development prior to a more specific Development Plan being submitted. A Conceptual Plan shall be construed to be an illustration of the development concepts only and not an exact representation of the specific development proposed.)

☐ ☐ Development Plan with proposed PD Conditions

(The purpose of a Development Plan is to specifically illustrate the proposed location and arrangement of uses and structures, the relationship of such uses to base zoning districts, development phasing, planned public improvements, open space, proposed amenities and the overall design of the development. Development Plan shall be incorporated into the regulations of the PD ordinance, shall be construed in conjunction with the authorized uses and development standards set forth in such regulations, and shall be in general conformity with the approved Conceptual Plan for the PD (if applicable).

REQUIRED


(Now)
A/C PAD
STONE
Emergency Exit Door
storage
Room
Room
Room
43.2'
21.2'
21.2'
Hallway
stage
19.0'
8.2'
22.5'
36.0'
1-STORY
BRICK & FRAME
CHURCH
Room
19.0'
Kitchen
13.5'
11.1'
Hallway
19.2'
wc
19.2'
wc
7.0'
Office
21.1'
19.2'
8.2'
15.2'
8.2'
: Door
: Walls taking Down


(After)
A/C PAD
STONE
Emergency Exit Door
storage room
room
room
21.2'
43.2'
21.2'
19.0'
Stage
8.2'
Counter
Kitchen
22.5'
36.0'
BRICK & FRAME
CHURCH
1-STORY
80.40sf
13.5'
19.0'
11.1'
W.C.
W.C.
19.2'
19.2'
Office
7.0'
8.2'
8.2'
15.2'
A: Door
: Pilar
75: parking Space
3: Handycap Space (included)

PLANNING AND ZONING COMMISSION
REGULAR MEETING
DUNCANVILLE COUNCIL CHAMBERS
203 EAST WHEATLAND ROAD
MONDAY, JULY 8, 2024 @ 7:00 P.M.

The regular meeting for the Planning and Zoning Commission was held on Monday, July 8, 2024, at 7:00 p.m. with the following members of the Planning and Zoning Commission present:

Jarred Davis	Chair	Excused Absence
Elias Rodriguez	Vice Chair	
D. Bailey Wynn	Commissioner	
Alex J. Wheeler	Commissioner	Excused Absence
Carolyn Thompson	Commissioner	
Yolanda Columbus	Commissioner	
Brenda O' Brien	Commissioner	Excused Absence

Staff:
David Kees, Assistant to the City Manager
Victor Barrera, Director of Economic Development
Lynette Romero, Planning Technician

Item No. 1
Call to Order.
Vice Chair Rodriguez called the meeting to order at 7:00 p.m.

Item No. 2-Receive
Public Comments.
There were no public comments received.

Item No. 3
Approve minutes for the Planning and Zoning Commission special meeting on June 3, 2024.
Commissioner Columbus made a motion to approve. Commissioner Wynne seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. The motion passed.

Item No. 4
Conduct a public hearing (2024-07) for consideration and action regarding the request of Shawkat Albess, applicant, representing Ramis Lube Inc, owner, for a Specific Use Permit to allow for the use "Banquet or Event Center" on Grace Properties, Block A, Lot 1, ACS 2.001, more commonly known as 119 East Danieldale Road, Duncanville, Dallas County, Texas.
Staff presented background information. The Commissioners asked staff questions regarding the request. The applicant was present to provide answers. Vice Chair Rodriguez entertained a motion to open the Public Hearing at 7:24 p.m. Commissioner Columbus made a motion to open the public hearing. Commissioner Wynne seconded the motion. The vote was 4 for, 0

against, with Commissioners Davis, Wheeler and O'Brien absent. Motion passed.
The following individuals spoke in opposition of the request:

1. Lisa Dubose, 121 Brookside Drive, Duncanville, TX
2. Angela Bostick, 141 Brookside Drive, Duncanville, TX
3. Cynthia Porter, 120 Brookside Drive, Duncanville, TX
4. Carol Dillard, 113 Brookside Drive, Duncanville, TX
5. Latrina Jefferson, 124 Graystone Place, Duncanville, TX

None spoke in favor. The applicant came back to the podium to address the citizens' questions and concerns. The Commission asked additional questions.
The following individuals spoke:

1. Myrtle Allison Green, 911 Fairway Drive, Duncanville, TX. The citizen was concerned about the safety behind the property; however, this did not apply to the subject property.
2. Jacqueline Serna, 128 Brookside Drive, Duncanville, TX. The citizen spoke in opposition of the item.

Chair Davis entertained a motion to close the public hearing at 7:47 p.m. Commissioner Wynne made a motion to close the Public Hearing. Commissioner Columbus seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. The motion passed. Commissioner Wynne made a motion to approve the item with the condition that it be verified that there is a fence that separates the subject property from the residential neighborhood directly behind it. There was some discussion among the Commission. Commissioner Wynne withdrew her motion and made a new motion to recommend approval with a time limit of 24 months. Commissioner Columbus seconded the motion. The vote was 3 for, 1 against, with Commissioner Thompson in opposition. Commissioners Davis, Wheeler and O'Brien were absent. The Commission determined that the motion failed due to the requirement of the vote of a full board. However, a vote of 3 for, 1 against, would not fail the motion. At the August 12, 2024, regular Planning and Zoning Commission meeting, Commissioner Columbus requested that the approval of minutes be tabled to allow time for staff to make appropriate corrections.

Item No. 5

Conduct a public hearing (2024-14) and consider approving the request of Grace Hebert Curtis Architects, applicant, representing UME Preparatory Academy, owner, for a Specific Use Permit to allow for the use of "School, Primary or Secondary (Public)" on Doris Heights, Block C, Lots 1-12, Block E, Lots 1-4, and Abandoned Street, ACS 4.0241, more commonly known as 323 West Wheatland Road, in the City of Duncanville, Dallas County, Texas.

Staff presented background information. The Commission did not have any questions for staff. Vice Chair Rodriguez entertained a motion to open the public hearing at 8:05 p.m. Commissioner Columbus made a motion to open the public hearing. Commissioner Wynne seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. Motion passed. The applicant and their team were present to speak and answer questions:

1. Tanner Thiessen, GHC Architects, 2710 Guio, Dallas, TX
2. Misty Stern, Assistant Superintendent of UMC Preparatory Academy, 1514 High Ridge Drive, Duncanville, TX
3. Brance Barker, Pastor of Duncanville First Baptist Church, 422 North Clark Road, Duncanville, TX

The Commission asked the applicant and their team questions.
The following individuals spoke in favor of the request:

1. Blake Flickner, 418 North Casa Grande Circle, Duncanville, TX
2. Erika Browning, 442 East Cherry Street, Duncanville, TX
3. Mary Flickner, 418 North Casa Grande Circle, Duncanville, TX
4. Scott Graves, 5085 Noric Drive, Grand Prairie, TX
5. Chris Stewart, 6540 Portside Ridge Lane, Dallas, TX
6. Patricia Ebert, 115 South Greenstone Lane, Duncanville, TX

The following individuals also spoke:

1. Tina Cain, 231 Moore Street, Duncanville, TX. The citizen spoke neither in opposition nor in favor of the item. She only had questions regarding the request.
2. Hazel Ingram, 950 Fairway Drive, Duncanville, TX. The citizen thought this item was for Life School.
3. Tammy Grebba, 226 Moore Street, Duncanville, TX. The citizen had concerns about loitering and both vehicle and pedestrian traffic.

Vice Chair Rodriguez entertained a motion to close the public hearing at 8:32 p.m. Commissioner Columbus made a motion to close the public hearing. Commissioner Wynne seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. There were some comments made by the Commission. Vice Chair Rodriguez made a motion to approve the item with a time period of twelve months. Commissioner Columbus seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. Motion passed.

Item No. 6

Consider a request (2024-16) for approval of a replat by Cristina Scott of Burns Surveying, applicant, representing Chad Vogel, owner, to replat from Green Hills 3rd Sec, Blk 1, LT 4, to Third Section Green Hills, Block 1, Lot 4A and 4B, on the property more commonly known as 1007 Pebble Springs Place, in the City of Duncanville, Dallas County, Texas.

Staff presented background information. Commissioner Columbus made a motion to open the public hearing at 8:38 p.m. Commissioner Wynne seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. Motion passed.
The following individual spoke in opposition:

1. Trent Gardner, 1402 Braewood Place, Duncanville, TX.

The applicant was present and responded to the citizen's concerns. Commissioner Wynne made a motion to close the public hearing at 8:44 p.m. Commissioner Columbus seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. Motion passed. Commissioner Columbus made a motion to approve the item. Commissioner Wynne seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. Item passed.

Item No. 7

Consider a request (2024-15) for approval of a replat by Joshua Paz, applicant, representing Nadia Noor, owner, to replat from Ground Industrial Park, PT LT 1, ACS 0.575 to Grounds Industrial Park, Lot 1R, on the property more commonly known as 1144 North Duncanville Road, in the City of Duncanville, Dallas County, Texas.

Staff presented background information. Commissioner Columbus made a motion to open the public hearing at 8:47 p.m. Commissioner Wynne seconded the motion. The vote was 4 for, 0

against, with Commissioners Davis, Wheeler and O'Brien absent. Motion passed. There were no public comments. Commissioner Columbus made a motion to close the public hearing at 8:48 p.m. Commissioner Wynne seconded the motion. Commissioner Wynne made a motion to approve the item. Commissioner Columbus seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. Item passed.

Item No. 8

Continue discussion pertaining to the five-year comprehensive plan.

Staff gave update on latest progress of the five-year comprehensive plan.

Adjournment

At 8:54 p.m. Commissioner Wynne made a motion to adjourn the meeting. Commissioner Columbus seconded the motion. The vote was 4 for, 0 against, with Commissioners Davis, Wheeler and O'Brien absent. The motion passed.

APPROVED:

_____

Elias Rodriguez, Vice Chair

ATTEST:

_____

David Kees, Assistant to the City Manager

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a Resolution creating a fund and adoption of a policy known as the Duncanville Arts Fund

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Promote: Innovative Ideas for Development and Re-development**
  - **Pursue a diverse and robust economy through various business, housing, and employment opportunities that encourage forward-thinking community and economic development.**
- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Douglas Finch, City Manager
Sofine M. Lewis, Executive Liaison

BACKGROUND/HISTORY:
A briefing was presented to the City Council at the September 3, 2024, meeting to consider an Arts Fund Policy similar to that of the City of Southlake. Policy formation was requested by Councilmember Koontz. In Texas, municipalities can levy a tax of up to 7% on overnight stays in hotels or other accommodations. These taxes are collected quarterly and must be allocated to one of nine approved uses, including the promotion of the arts, arts facilities, and arts programming, provided it directly impacts tourism and the convention and hotel industry. In Duncanville, 15% of the hotel occupancy tax is allocated for eligible arts-related expenditures.

POLICY EXPLANATION:
Present to the City Council of the City of Duncanville a resolution that directs the City Manager to create an Arts Fund and be responsible/ charged with implementing the Arts Fund Policy. The policy will allocate 15% of the HOT Funds annually for the arts; if approved, the City Manager will determine which entity is responsible for the allocation and the process for funding accountability.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	Purchase Amount	After Encumber
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:

1. Approve a Resolution to implement an Arts Fund Policy.
2. Do not approve the implementation of an Arts Fund Policy Resolution.
3. Other actions as directed by Council.

ATTACHMENTS:
Resolution No. - 2024-324 - Creation and Implementation of the Duncanville Arts Fund
Arts Fund Policy
kp0131
ga0124
Ordinance No. 2454
What Cities Need to Know to Administer Hotel Taxes (July 2023)

RESOLUTION NO. 2024-324

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, AUTHORIZING THE CITY MANAGER TO CREATE AN ARTS FUND AND BE CHARGED WITH THE IMPLEMENTATION OF THE ARTS FUNDING POLICY THAT WILL ALLOCATE 15% OF THE HOT FUNDS ANNUALLY FOR THE ARTS AND AUTHORIZING THE CITY MANAGER TO DETERMINE WHICH ENTITY IS RESPONSIBLE FOR THE ALLOCATION AND THE PROCESS OF FUNDING ACCOUNTABILITY; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, In Texas, municipalities can levy a tax of up to 7% on overnight stays in hotels or other accommodations, also known as HOT funds.

WHEREAS, HOT funds are collected quarterly and must be allocated to one of nine approved uses.

WHEREAS, Approved uses include promoting the arts, arts facilities, and arts programming, provided they directly impact tourism and the convention and hotel industry.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. the City Council hereby authorizes the creation of an Arts Fund; and providing an effective date.

SECTION 2. the City Manager is charged with the implementation of the arts funding policy that will allocate 15% of HOT funds annually for the Arts.

SECTION 3. the City Manager is authorized to determine which entity is responsible for the allocation and process of funding accountability.

SECTION 4. This Resolution shall become effective immediately following its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

Arts Funding Policy for the City of Duncanville Using Hotel Occupancy Tax (HOT) Funds

1. Establishment of the Duncanville Arts Fund
The City Council of Duncanville has established a dedicated Arts Fund, known as the "Duncanville Arts Fund," to support and promote the arts within our community. This special revenue fund will be used for the promotion, creation, and installation of art throughout Duncanville, as well as for artisan events held within city limits. Managed by the Duncanville Arts Commission, the fund is designed to support the arts community and grow annually, reflecting the City's commitment to enhancing and expanding its cultural and artistic offerings. The City Council will provide final oversight as needed to ensure the fund's effectiveness and alignment with community goals.

2. Purpose of the Arts Fund
The Arts Fund aims to support a broad range of art-related programs and activities that promote tourism and contribute to the hotel and convention industry. This includes funding for instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts-related activities.

3. Authorization for HOT Funds
The City Council of Duncanville authorizes and directs the City Manager to transfer 15% of the annual HOT funds revenue to the Arts Fund. These funds are designated for expenditures that align with the goals of this policy as established by the City Council.

4. Legal Framework and Eligibility

- **HOT Fund Use:** According to Section 351.101(a) of the Texas Tax Code, municipal hotel occupancy tax funds may be used exclusively to promote tourism, including the arts and the hotel and convention industry. Texas Attorney General Opinion GA-0124 reinforces this utilization.
- **Restrictions on Facilities:** Based on Attorney General Opinion KP-0131, HOT funds cannot be used solely for the construction of arts facilities. Such expenditures must be combined with other authorized categories of hotel tax expenditures to comply with legal requirements.

5. Eligible Expenditures
Art funds may be used for a variety of art-related programs that directly promote tourism and hotel activity, in line with HOT fund requirements. Eligible art forms include, but are not limited to:

- Instrumental and vocal music

- Dance
- Drama
- Folk art
- Creative writing
- Architecture
- Design and allied fields
- Painting
- Sculpture
- Photography
- Graphic and craft arts
- Motion pictures
- Radio, television, tape, and sound recording

6. Fund Administration

- **Management:** The Arts Fund will be administered by the Duncanville Arts Commission, which is responsible for overseeing and approving fund allocations.
- **Growth:** The fund is designed to grow annually, aiming to enhance the City's cultural landscape and support tourism.

7. Approval Process

- **Expenditures Less Than $10,000:** Must be approved by the Arts Commission and the Duncanville Community Economic Development Corporation (DCEDC).
- **Expenditures of $10,000 or More:** Require approval from the Arts Commission, DCEDC, and the City Council prior to committing HOT funds.

8. Reporting and Accountability

The Arts Commission will provide regular quarterly reports to the City Council detailing the use of the Arts Fund and its impact on tourism and hotel occupancy. An annual review will be conducted to evaluate the effectiveness and alignment with the City's goals.

9. Policy Review

The City Council, DCEDC, or Arts Commission may conduct regular reviews to ensure expenditures align with the intended use of HOT funds and fulfill statutory requirements.

The impact of funded projects on tourism and hotel activity will be assessed, and any discrepancies between the economic impact and HOT funds spent will be addressed in compliance with state regulations. The City Council reserves the right to make changes to this policy at any time.

KEN PAXTON
ATTORNEY GENERAL OF TEXAS

January 30, 2017

The Honorable Dennis Bonnen
Chair, Committee on Ways & Means
Texas House of Representatives
Post Office Box 2910
Austin, Texas 78768-2910

Opinion No. KP-0131

Re: Authority of a municipality to use hotel occupancy tax revenue to fund a feasibility study and the construction, operation, and maintenance of a performing arts center (RQ-0122-KP)

Dear Representative Bonnen:

You inquire about a municipality's authority to use revenue from its local hotel occupancy tax to fund a feasibility study for a performing arts center as well as the construction, operation, and maintenance of the center.[1] You tell us the City of Lakeway ("City") has commissioned a feasibility study to build and operate a performing arts center (the "Center") "that includes a theater with 500 to 800 fixed seats." *See* Request Letter at 1. You also tell us that the Center would include "a small conference center that would accommodate 150 to 200 people and a hotel." *Id.* at 1–2. You explain that the City indicates the "use of the [Center] would directly promote tourism and the hotel and convention industry in the City" as the Center "would be designed to . . . have a regional and statewide draw." *Id.* Finally, you state that the City expects the Center "will help to establish the City as a destination location for culture and entertainment, and to attract visitors to the City for an overnight stay in its hotels or short-term rentals." *Id.* at 2.

Municipal hotel occupancy taxes are governed by Tax Code chapter 351. *See generally* TEX. TAX CODE §§ 351.001–.110. Subsection 351.002(a) authorizes the imposition of a tax on the use or possession of a hotel room. *See id.* § 351.002(a). But subsection 351.101(a) imposes two primary limits on the use of the resulting tax revenue.[2] *See id.* § 351.101(a). First, an expenditure of hotel occupancy tax revenue must directly "promote tourism and the convention and hotel industry." *Id.* § 351.101(a)–(b) ("Revenue derived from the tax authorized by this chapter shall be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry."); *see also* NEW OXFORD AM. DICTIONARY 492 (3d ed. 2010) (defining "directly" to mean "with nothing or no one in between"); *CHCA Bayshore L.P. v. Ramos*, 388 S.W.3d 741, 748

[1] *See* Letter from Honorable Dennis Bonnen, Chair, House Ways & Means Comm., to Honorable Ken Paxton, Tex. Att'y Gen. at 1 (Aug. 1, 2016), https://www.texasattorneygeneral.gov/opinion/requests-for-opinion-rqs ("Request Letter").

[2] A permissible expenditure under section 351.101 may also be subject to limitations imposed by section 351.103 of the Tax Code and elsewhere in chapter 351. *See* TEX. TAX CODE § 351.103.

(Tex. App.—Houston [1st Dist.] 2012, no pet.) (Jennings, J. dissenting) (using same definition). Second, the expenditure must be for the specified permissible uses in subsection 351.101(a). *See id.* § 351.101(a)(1)–(11); Tex. Att'y Gen. Op. No. JM-965 (1988) at 2. The list of permissible uses includes:

> (1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;
>
> . . . , [and]
>
> (4) the encouragement, promotion, improvement, and application of the arts, . . . and exhibition of the[] major art forms.

TEX. TAX CODE § 351.101(a)(1), (4); *see also id.* § 351.101(b) (limiting the revenue from use for "general revenue purposes or general governmental operations of a municipality").

As this office previously recognized, we cannot always determine whether an expenditure under section 351.101 is permissible as a matter of law because of the fact issues involved. *See* Tex. Att'y Gen. Op. No. GA-0124 (2003) at 3; *see also* Tex. Att'y Gen. LO-92-051 (1992) at 2, LO-92-016 (1992) at 3. In such instances, the governing body of the municipality must make the determination regarding the propriety of a hotel occupancy tax expenditure, subject to judicial review. *See* Tex. Att'y Gen. Op. No. GA-0124 (2003) at 3. Thus, we advise you only generally.

The first element of subsection 351.101(a) requires that the expenditure from the tax must *directly* promote tourism and the convention and hotel industry. *See* TEX. TAX CODE § 351.101(a)–(b). "Tourism" is defined as the "guidance or management of tourists." *Id.* § 351.001(5). A "tourist" is an "individual who travels from the individual's residence to a different municipality . . . for pleasure, recreation, education, or culture." *Id.* § 351.001(6). Thus, the first element requires an expenditure from hotel occupancy taxes to be one that *directly* guides or manages tourists to the municipality for pleasure, recreation, education, or culture.

With regard to the list of specific permissible uses as the second element of subsection 351.101(a), chapter 351 defines "convention center facilities" as "facilities that are *primarily* used to host conventions and meetings." *Id.* § 351.001(2) (emphasis added). The definition also includes certain hotel facilities. *See id.* Only if a particular facility is *primarily* used to host conventions or meetings is it a convention center facility and thus a permissible use under subsection 351.101(a)(1).

In contrast to subsection 351.101(a)(1), the promotion "of the arts" use under subsection 351.101(a)(4) does not expressly authorize *construction* of facilities. *Compare id.* § 351.101(a)(1), *with id.* § 351.101(a)(4). Thus, construction costs of theater facilities, considered alone, are not within the scope of subsection 351.101(a)(4). Any construction costs associated with any particular facility are proper costs for the hotel occupancy tax revenue only if they are incurred under subsection 351.101(a)(1). *Id.* § 351.101(a)(1).

You also inquire about the propriety of hotel occupancy tax revenues for a feasibility study regarding the Center. *See* Request Letter at 1. Briefing submitted to this office argues that a feasibility study "can be a necessary component of moving forward with this type of project" and is authorized under the plain language of subsection 351.101(a).[3] As we noted previously, expenditures under subsection 351.101(a) must directly promote tourism and the convention and hotel industry. *See supra* page 1 (citing TEX. TAX CODE § 351.101(a)–(b)). It is the nature of a feasibility study to examine a given project, which examination could result in either a conclusion that the project is not feasible and a decision not to proceed with the project or a conclusion that the project is feasible and decision to proceed. *See* NEW OXFORD AM. DICTIONARY 632 (3d ed. 2010) (defining "feasibility study" to mean "an assessment of the practicality of a proposed plan or method"). Yet, irrespective of such a study's ultimate outcome, an expenditure for the study considered by itself may be too attenuated to be legitimately characterized as actually attracting overnight guests in the *direct* promotion of tourism and the convention and hotel industry.[4]

In the event a feasibility study is found by the governing body of a municipality to satisfy the first element of section 351.101, the expenditure must also be for one of the permitted uses to satisfy the second element.

[3]*See* Letter from Bill Longley, Legis. Counsel, Tex. Mun. League at 2 (Aug. 31, 2016) ("TML Brief") (on file with the Op. Comm.).

[4]Briefing submitted to this office suggests that the costs for a feasibility study may constitute a permissible administrative cost under subsection 351.101(e). *See* TML Brief at 3–4. Even such costs must be "incurred directly in the promotion and servicing expenditures" authorized by the statute. TEX. TAX CODE § 351.101(e).

SUMMARY

Under section 351.101 of the Tax Code, a municipality may expend its municipal hotel occupancy tax revenue in the direct promotion of tourism and the convention and hotel industry, provided that the expenditure is for one of the specified uses listed in the statute. It is for a municipal governing body to determine in the first instance whether an expenditure of hotel occupancy tax revenue is proper under section 351.101.

Very truly yours,

Ken Paxton

KEN PAXTON
Attorney General of Texas

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VIRGINIA K. HOELSCHER
Chair, Opinion Committee

CHARLOTTE M. HARPER
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ATTORNEY GENERAL OF TEXAS
GREG ABBOTT

November 18, 2003

The Honorable David Swinford
Chair, Committee on Government Reform
Texas House of Representatives
P. O. Box 2910
Austin, Texas 78768-2910

Opinion No. GA-0124

Re: Whether municipal hotel occupancy tax revenue may be used to fund certain programs at a county senior center (RQ-0065-GA)

Dear Representative Swinford:

On behalf of the City of Dumas (the "City"), you ask whether a municipality may use municipal hotel occupancy tax revenue to fund certain programs at a senior center.[1]

The City has inquired whether it may pay a portion of its hotel occupancy tax revenue to the Moore County Senior Center (the "Senior Center").[2] The Senior Center believes it is a permissible recipient of the tax revenue because people from other communities, including some from outside an "easy driving time," come to eat or to participate in other activities at the center, including quilting and crafting:

> The [C]enter has a need for additional funding to perpetuate the programming efforts including the quilting room, which is open to the public. Quilts are always on display and anyone who visits can see actual quilting being done. Funding for craft expenses; bringing in outside entertainment and brochure development, especially for the new Visitor Center here in Dumas [sic]. This funding request reflects a close relationship to the funding of Dumas' Crabb Art Center and the Window on the Plains Museum.[3]

---

[1] *See* Letter from Honorable David Swinford, Chair, Committee on Government Reform, Texas House of Representatives, to Nancy Fuller, Chair, Opinion Committee, Texas Attorney General's Office (June 11, 2003) (on file with the Opinion Committee).

[2] Letter from Vince DiPiazza, City of Dumas City Manager, to Honorable David Swinford, Chair, Committee on Government Reform, Texas House of Representatives (May 27, 2003) (on file with the Opinion Committee) [hereinafter City of Dumas Letter].

[3] Letter from Lisa Underwood, Executive Director, Moore County Senior Center Inc., to City Commission, City of Dumas (Mar. 10, 2003) (on file with the Opinion Committee); Letter from Lisa Underwood, Executive Director, Moore County Senior Center Inc., to City of Dumas City Council Members (Jan. 16, 2003) (on file with the Opinion Committee).

The City asks whether a payment to the Senior Center would be "a legal use of" its municipal hotel occupancy tax revenue. City of Dumas Letter, *supra* note 2.

Any incorporated municipality "by ordinance may impose a tax" on certain persons who pay to use or possess "a room that is in a hotel, costs $2 or more each day, and is ordinarily used for sleeping." TEX. TAX CODE ANN. § 351.002(a) (Vernon 2002); *see also id.* § 351.001(1), (4) (defining the terms "municipality" and "hotel"). Section 351.101 of the Tax Code restricts the use of the revenue:

> (a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:
>
> > (1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;
> >
> > (2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
> >
> > (3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
> >
> > (4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;
> >
> > (5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:
> >
> > > (A) at or in the immediate vicinity of convention center facilities or visitor information centers; or
> > >
> > > (B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates; and

> (6) for a municipality located in a county with a population of 290,000 or less, expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity.
>
> (b) Revenue derived from the tax authorized by this chapter shall be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry . . . . That revenue may not be used for the general revenue purposes or general governmental operations of a municipality.

TEX. TAX CODE ANN. § 351.101 (Vernon Supp. 2004); *see id.* § 351.001(2), (4), (8)-(9) (Vernon 2002) (defining various terms). The term "tourism" is defined as "the guidance or management of tourists," and the term "tourist" is defined to mean "an individual who travels from the individual's residence to a different municipality, county, state, or country for pleasure, recreation, education, or culture." *Id.* § 351.001(5)-(6) (Vernon 2002).

The crucial issue is whether allocating the tax revenue to the Senior Center promotes "tourism and the convention and hotel industry" and is within the permissible uses listed in section 351.101(a) of the Tax Code. *See* Tex. Att'y Gen. Op. No. DM-394 (1996) at 3 (stating that a municipality may use municipal hotel occupancy tax revenue only for the uses set out in section 351.101).

The City may not allocate any tax revenue to fund meals at the Senior Center because meals are not within any permissible use listed in section 351.101(a). *See* TEX. TAX CODE ANN. § 351.101(a) (Vernon Supp. 2004).

This office ultimately cannot determine whether funding other Senior Center activities are permissible under section 351.101 because fact issues are involved. *See* Tex. Att'y Gen. LO-92-51, at 2 (stating that determining whether section 351.101(b) permits a particular expenditure is a question of fact); Tex. Att'y Gen. LO-92-16, at 3 (same). Rather, it is for the city's governing body to determine in the first instance whether a proposed expenditure is among the permissible uses section 351.101(a) lists and will "directly enhanc[e] and promot[e] tourism and the convention and hotel industry." TEX. TAX CODE ANN. § 351.101(b) (Vernon Supp. 2004); *see* Tex. Att'y Gen. LO-92-51, at 2. A municipality could find, for example, that subsidizing a quilting exhibit or demonstration at a senior center is permissible as encouraging, promoting, improving, and applying the arts, although the municipality would also have to find that the subsidy would "directly enhanc[e] and promot[e] tourism and the convention and hotel industry." TEX. TAX CODE ANN. § 351.101(a)-(b) (Vernon Supp. 2004). But any use of the funds that would not directly enhance and promote tourism and the convention and hotel industry would be impermissible under the statute: "[W]hen money is spent for one of the [uses] listed in subsection (a), it should be done . . . in a manner that promotes tourism and the convention and hotel industry." Tex. Att'y Gen. Op. No. JM-965 (1988) at 2.

S U M M A R Y

Under section 351.101 of the Tax Code, a municipality may expend its municipal hotel occupancy tax revenue "only to promote tourism and the convention and hotel industry" and only for the specific uses listed in the statute. TEX. TAX CODE ANN. § 351.101(a) (Vernon Supp. 2004). Whether a particular proposed expenditure of municipal hotel occupancy tax revenue is a permissible use and will "directly enhanc[e] and promot[e] tourism and the convention and hotel industry" is for a municipality's governing body to determine in the first instance.

Very truly yours,

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First Assistant Attorney General

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Deputy Attorney General for Legal Counsel

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Chair, Opinion Committee

Kymberly K. Oltrogge
Assistant Attorney General, Opinion Committee

ORDINANCE NO. 2454

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS, AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 2 'ADMINISTRATION', BY REPEALING ARTICLE I. 'IN GENERAL' SECTIONS 2-1, 2-2, 2-3 AND 2-4 AND RESERVE FOR FUTURE USE; BY ADDING NEW ARTICLE V 'BOARDS AND COMMISSIONS' TO PROVIDE FOR LIST OF DIFFERENT BOARDS, APPOINTMENTS, QUALIFICATIONS, ESTABLISHMENT, MEMBERSHIP AND OTHER DUTIES; PROVIDING A PENALTY CLAUSE; AND PROVIDING SEVERABILITY, EFFECTIVE DATE AND OPEN MEETINGS CLAUSES.

WHEREAS, the City of Duncanville, Texas (the "City") desires to amend their Administration of different boards; and

WHEREAS, the City Council finds that it is necessary to amend the current provisions for the administration of the boards of the City of Duncanville.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. That the City Council of the City of Duncanville, Texas hereby approves and amends the Code of Ordinances, Chapter 2 "Administration", by repealing Article I "In General", Sections 2-1, 2-2, 2-3 and 2-4 and reserve for future use to hereinafter read as follows:

"CHAPTER 2 – ADMINISTRATION

ARTICLE I. – RESERVED

Sec. 2-1. through 2-4 (Reserved)"

SECTION 2. That the City Council of the City of Duncanville, Texas hereby approves and amends the Code of Ordinances, Chapter 2 "Administration", by adding Article V. Boards and Commission, to hereinafter read as follows:

"CHAPTER 2 – ADMINISTRATION

ARTICLE I. – RESERVED

. . . . .

ARTICLE V. BOARDS AND COMMISSIONS

Sec. 2-100. Arts Commission

a) Organization

The Arts Commission of the City of Duncanville shall consist of nine (9) regular members appointed by the City Council, who shall serve three-year terms, and shall be organized and shall exercise such powers and responsibilities as prescribed by all City Council Ordinances relating to the Duncanville Arts Commission.

b) Officers

A Chairperson and Vice Chairperson shall be elected annually from among the Commission's membership at the first meeting in October and at such times as these offices become vacant. In the absence of both the Chairperson and the Vice Chairperson, the Commission shall elect an Acting Chairperson. A secretary shall be appointed from staff personnel assigned by the City's chief executive officer.

c) Duties and Powers

1. (aa) The Commission shall solicit applications for arts events, review and hear requests for funding, schedule interviews, and adopt guidelines and criteria for applicants requesting funding. The Commission will advise the City Council on the expenditure of the hotel/motel tax allocation for the arts. The Arts Commission Chairman, or an alternate representative as designated by the chairman, shall attend all City Council workshops and meetings at which Arts Commission issues are discussed or considered.

   (bb) The Commission may also seek and administer funding by state, federal, and private grants, gifts, and admission fees as provided herein. They may also decline acceptance of any state, federal, private grant, donation or gift which is subject to terms or conditions which are not acceptable to or performable by the Commission.

   (cc) The Commission may itself produce and promote a cultural/arts event or projects in addition to and apart from its role as a funding source for Arts Commissions Grants to other groups and individuals. Events or projects may also include a public permanent art component.

2. The Chairperson shall preside at all meetings. The Chairperson shall decide on all points of order or procedure in accordance with these rules and regulations and the Scott, Foresman Roberts Rules of Order, the most current edition. All letters of transmittal from the Commission to the City Council shall be over the signature of the Chairperson.

3. The secretary shall be the custodian of the minutes and other official records, shall attend to the correspondence of the Commission, and shall cause such notices to be given as are required and in the manner prescribed by law.

4. The Committee shall submit their Annual Advisory Report along with a presentation to the City Council prior to Council's budget consideration, every June of each year.

5. The Arts Commission will keep the City Council informed of all activities throughout the year.

d) Mission Statement

The Mission of the Arts Commission of the City of Duncanville shall advise City Council to consider:

1. To develop community arts program that will enhance tourism and hotel/motel use, through the arts;

2. To encourage an increase in quality arts programs available to the citizens of the City of Duncanville;

3. To stimulate an interest in the local arts of all cultures and minority groups especially ensuring access for seniors and disabled citizens;

4. To encourage exposure to the arts for school-age citizens;

5. To preserve and develop the arts and to maximize the quality of the arts and their contributions to our City's culture;

6. To recommend the equitable distribution of resources from the public and private sectors necessary to accomplish the mission; and

7. To produce and promote activities which accomplish this mission.

Sec. 2-101. Animal Control/Tri-Cities Animal Shelter Board

The City of Duncanville entered into an interlocal agreement by and among City of Desoto and Cedar Hill for the use of the Tri-City Animal Shelter. The City Council shall appoint one (1) member of the Tri-City Animal Shelter Board to serve a two-year term. The duties of the board are established by the Interlocal Agreement and shall govern its proceedings herein.

Sec. 2-102. Community Engagement Advisory Board

a) The Community Engagement Advisory Board consists of residents and community stakeholders collaborating to advise and create opportunities to strengthen our community. The Board recommends policies, procedures and practices that support the City of Duncanville.

What Cities Need to Know to Administer Municipal Hotel Occupancy Taxes

Texas Hotel & Lodging Association

REVISED JULY 2023

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Introduction

Since 1967, hotel occupancy taxes have been an important tool for Texas municipalities to promote growth in tourism and hotel activity. Today, nearly every city in Texas with a hotel operating in the city limits levies a municipal hotel occupancy tax.[1] In turn, hotel guests generate economic activity for local businesses and generate nearly $3 billion in annual tax revenues for local governments, including but not limited to over $680 million annually in local hotel occupancy tax revenue, increased sales taxes, alcoholic beverage taxes, and property taxes.[2] If a tourist is motivated to come to an area or to extend his or her stay at a hotel due to activities or facilities funded with hotel occupancy tax revenues, the local and state economies benefit. In turn, the hotel occupancy tax revenues generated from additional room night activity funds future programs and tourism-related facilities, creating an economic engine which provides prosperity for the area.

Unlike property tax and sales tax revenues, which cities can use for most public purposes, local hotel occupancy tax revenues fall under a more structured statutory mandate. Municipal hotel occupancy taxes are a dedicated tax and are primarily governed by Chapter 351 of the Texas Tax Code. This guide assists local governments, hotel occupancy tax grant applicants, and lodging operators in all aspects of the municipal hotel occupancy tax process, including the rules on allowable expenditures of these funds by Texas cities.

Authorized Municipalities

All incorporated Texas municipalities, including general law and home rule cities, may enact a hotel occupancy tax within the city limits.[3] A city with a population of under 35,000 may also adopt the hotel occupancy tax within that city's extraterritorial jurisdiction (ETJ).[4] Most cities are eligible to adopt a hotel occupancy tax at a rate of up to seven percent of the price paid for the use of a hotel room.[5] Additionally, a city or county may not propose a hotel occupancy tax rate that would result in a combined hotel occupancy tax rate imposed from all sources that would exceed 17 percent of the price paid for the room.[6] If a city adopts the hotel occupancy tax within its ETJ, the combined state, county, and municipal hotel occupancy tax rate may not exceed 15 percent.[7]

In addition to local hotel occupancy taxes, all lodging properties operating in Texas are subject to a six percent state hotel occupancy tax.[8] Governed under Chapter 156 of the Texas Tax Code, the state hotel occupancy tax is collected by the Texas Comptroller. Funds from the state six percent hotel occupancy tax flow directly to the Texas Comptroller's office and are largely used for the general governmental operations of the State. However, a 1/12th portion of the state hotel occupancy tax revenue is dedicated to funding tourism promotion through Texas's marketing campaign.[9]

---

[1] Texas Hotel & Lodging Association (THLA) maintains a listing of most city and county hotel tax rates, accessible upon request to THLA members.
[2] *Source:* Office of the Governor of Texas, Economic Development and Tourism; Texas Comptroller of Public Accounts Annual Cash Report.
[3] Tex. Tax Code Ann. § 351.002(a) (2023).
[4] § 351.0025(a).
[5] § 351.003(a).
[6] Tex. Loc. Gov't Code § 334.254(d). Note that the 17 percent cap does not apply to a city that approved a higher hotel tax through a venue ballot proposition prior to September 1, 2013, such as El Paso.
[7] § 351.0025(b).
[8] Tex. Tax Code § 156.051.
[9] § 156.251(d).

Collecting the Tax

Under the Texas Tax Code, the following lodging properties are considered "hotels" and are required to collect hotel occupancy taxes from their guests: "Any building or buildings in which members of the public obtain sleeping accommodations for consideration" for less than 30 days, including a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, or bed and breakfast facilities.[10] Additionally, a "short-term rental," defined as the rental of all or part of a residential property to a person who is not a permanent resident, is subject to hotel occupancy taxes.[11] The Texas Administrative Code also includes "manufactured homes, skid mounted bunk houses, residency inns, condominiums, cabins, and cottages within the definition of a "hotel" if the facility is rented for periods of under 30 days.[12] Hospitals, sanitariums, nursing homes, dormitories or other non-hotel housing facilities owned by institutions of higher education, and oilfield portable units do not collect the tax.[13] Subject to various exemptions, state and local hotel occupancy taxes are imposed on any "person" who pays for the use of a room in a hotel, including corporations, organizations, and other legal entities. The hotel room must cost $2 or more per day for the local hotel occupancy tax to apply, and $15 or more per day for the state hotel occupancy tax to apply.[14]

Meeting rooms versus sleeping rooms:
The rental of sleeping rooms in hotels are subject to both state and local hotel occupancy taxes. However, there is a difference in how state and local hotel occupancy taxes apply to the rental of meeting rooms in hotels. While the rental of sleeping rooms in hotels are subject to both state and local hotel occupancy taxes, meeting room rentals are not subject to local hotel occupancy taxes.[15] The rental of a meeting room or meeting space in a hotel is subject to the state six percent hotel occupancy tax provided the room or space is physically located in a structure that also contains sleeping rooms.[16] For meeting rooms and banquet halls located in a structure that is physically separated from a structure that contains sleeping rooms, neither state nor local hotel occupancy taxes apply to the rental of the meeting rooms or banquet halls, provided rental costs or charges are separately stated from any lodging costs or other charges on the guest's invoice or receipt.[17]

It must be noted that sales tax may apply to the costs associated with the rental of meeting rooms or banquet halls located in a structure that is physically separated from a structure that contains sleeping rooms if the lodging facility provides food or beverage service that is subject to sales tax.[18] Such sales tax would apply to the meeting room or banquet hall rental costs or charges regardless of whether the food or beverage charges are separately stated on the guest's invoice or receipt.[19]

Food and beverage and other hotel charges:
Certain hotel guest charges assessed are subject to hotel occupancy taxes, while other guest charges are subject to state and local sales tax. Common hotel charges usually subject to sales taxes (but generally

[10] Tex. Tax Code § 156.001(a); 34 Tex. Admin. Code Ann. § 3.161(a)(3) (2023).
[11] Tex. Tax Code § 156.001(c).
[12] Tex. Tax Code § 156.001(a); 34 Tex. Admin. Code Ann. § 3.161(a)(3) (2023).
[13] Tex. Tax Code § 156.001.
[14] Tex. Tax Code § 156.051(a); § 351.002(a).
[15] *Id.*
[16] Tex. Tax Code § 156.051(a); Tex. Comptroller Opinion Letter No. 200103106L, Mar. 9, 2001.
[17] *Id*.
[18] 34 Tex. Admin. Code Ann. § 3.161(a)(3) (2023); Tex. Comptroller Opinion Letter No. 201010556L, Oct. 2010.
[19] *Id*.

not subject to hotel occupancy taxes) are hotel banquet service fees, food and beverage fees, movie rentals, dry cleaning/laundry services, internet connection, parking, and portage or bellhop fees.

Hotel charges related to the occupancy of a sleeping room or readying a sleeping room for occupancy are usually subject to hotel occupancy taxes only. Common hotel charges subject to hotel occupancy taxes are rollaway bed charges, pet charges, smoking fees, room damage fees, room safe charges, and late or early checkout fees.[20] It is important to note that if a hotel offers services as part of a package rate included with lodging, and the price of a specific good or service is not separately stated on a guest's invoice, bill, or folio, the entire package is subject to hotel occupancy taxes.[21]

Additionally, a special rule applies to whether hotel occupancy taxes are imposed on a hotel room rental cancellation fee. A 1989 Texas Comptroller's hearing concluded that hotel occupancy taxes are not due on charges to guests who 1) cancel more than 30 days before the schedule stay begins, or 2) when the total cancellation charge is less than the reserved room rate.[22] This rule applies both to individual reservations and also to group contracts.[23]

Application of local hotel occupancy tax rate increases on pre-existing contracts:
If a municipality increases its hotel occupancy tax rate, the increased tax rate generally does not apply to a hotel room under a contract that was executed before the date the increased rate takes effect. The increased tax rate does not apply in such cases if the prior contract specified the former local hotel occupancy tax rate as a term in the agreement. [24] This prior contract exemption also does not apply if the contract's terms state that the contract is subject to "applicable taxes" or to change or modification from a tax rate increase.[25] A fully prepaid room night is likely to be considered a prior contract.

Exemptions from the Local Tax

Texas law provides certain hotel occupancy tax exemptions based on the length of a guest's stay or the guest's affiliation with an exempt organization. Texas law is more generous with exemptions from the state six percent hotel occupancy tax than it is for local hotel occupancy tax exemptions. The state hotel occupancy tax law generally allows for an exemption from state hotel occupancy tax for the following entities: educational, charitable, and religious entities. However, these entities are *not exempt* from local hotel occupancy taxes.[26]

Focusing specifically on the local hotel occupancy taxes, there are primarily four categories of exemptions permitted from municipal and county hotel occupancy taxes:

1) **Permanent Resident/Over 30-Day Stay:** Persons or businesses who have agreed in advance to use a hotel room for more than 30 consecutive days (i.e., the "permanent resident" hotel occupancy tax exemption).[27]

[20] THLA maintains a list of most hotel charges and which tax, if any is assessed on a particular charge. This list is available upon request to THLA members.
[21] Tex. Comptroller Opinion Letter No. 200102031L, Feb. 7, 2001.
[22] Texas Comptroller's Hearing Decision No. 24,654 (1989).
[23] *Id.*
[24] Tex. Tax Code § 351.007.
[25] *Id.*
[26] Tex. Tax Code § 156.102.
[27] Tex. Tax Code § 156.104.

2) **Federal Employees:** Federal employees traveling on official business;
3) **Diplomats:** Foreign diplomats with a tax-exempt card issued by the U.S. Department of State;
4) **High Ranking State Officials**: A very limited number of state officials with a hotel occupancy tax exemption card (e.g., heads of state agencies, state legislators and legislative staff, members of state boards and commissions, and state judges).

Hotel guests claiming items two through four of the above exemptions are required to show appropriate identification and to fill out a "Hotel Occupancy Tax Exemption Certificate" promulgated by the Texas Comptroller.[28] The tax exemption certificate form is available on the Texas Comptroller's website at https://www.comptroller.texas.gov/taxes/hotel/forms/. It is advisable for hotels to have such forms available to guests to fill in if the guest seeks to claim such exemptions.

"Permanent residents" (guests who stay for more than 30 days):
Special attention should be paid to the "permanent resident" hotel occupancy tax exemption. The permanent resident exemption applies to both state and local hotel occupancy taxes, and ensures that hotel guests staying more than 30 days are taxed the same as residents staying at extended-stay properties, apartments, corporate rental facilities, rental houses, etc.[29] The Texas Tax Code states that any "person" who has the right to use or possess a lodging room for at least 30 consecutive days is exempt from state and local hotel occupancy taxes, provided there is no interruption in payment or right to occupancy of the room during this period.[30] In Texas, a "person" also includes a corporation or business. Therefore, one should look to whether the same person, corporate entity, business, or other entity paid for the room for that entire period.

If, in advance or upon check-in, the guest provides written notice to a hotel of intent to occupy a guest room for 30 days or longer, no hotel occupancy tax is due for any part of a guest's stay. A signed registration card or confirmed reservation indicating the guest's intent to occupy a room for 30 days or longer is sufficient written notice.[31] Furthermore, the guest is not actually required to physically occupy the room, but the guest must maintain the right to occupy the room for the length of the exemption period.[32]

If no written notice is provided upon check-in that can be documented by a written agreement (guest reservation, confirmation, registration, or separate agreement), the first 30 days of the guest's stay are **not** hotel occupancy tax-exempt.[33] However, the guest's stay becomes automatically hotel occupancy tax exempt on the 31st day for lodging charges beyond the 31st day, regardless of whether there was prior notice of the guest's intent to stay for 30 days or more, as long as there has been no interruption in payment for the room or right to occupy the room.[34]

THLA generally recommends hoteliers collect hotel occupancy taxes from the guest for the first 30 days of the guest's stay. On the 31st day of the guest's stay, provided there is no interruption of payment for the room and there was prior written notice indicating the guest's intent to stay 30 days or longer, the hotel should refund the collected hotel occupancy taxes for the first thirty days. This protects the hotel from incurring tax liability should the guest check out before staying at least 30 days. The hotel could

[28] *Id.*
[29] § 156.101.
[30] Tex. Tax Code § 156.101; 34 Tex. Admin. Code § 3.161(a)(4).
[31] Tex. Comptroller Opinion Letter No. 200601452L, Jan. 27, 2006.
[32] 34 Tex. Admin. Code § 3.161(b)(2)(C).
[33] § 3.161(b)(2)(A).
[34] *Id.*

choose to not collect the hotel occupancy tax during the stay if the guest paid in advance for the entire 30 days and there was no allowance for a refund if the guests checks out early.

State Employees: Most rank-and-file state employees do not have a special hotel occupancy tax exemption card issued by the Texas Comptroller that prevents them from having to pay the state and local hotel occupancy tax even when they are on official business. Such state employees must pay the state and local hotel occupancy tax when paying their bill and, their state agency may later apply for a refund from the state and local government tax offices.[35] The state agency the employee works for is responsible for requesting a refund from the state and local government.

City and County Employees/Officials: City and county officials and employees are not exempt from the state or the local hotel occupancy tax, even if the officials or employees are traveling on official business.[36] Additionally, cities have no legal authority to authorize additional exemptions from the hotel occupancy tax that are not recognized in the Tax Code.[37] The Attorney General ruled in JM-865 (1988) that cities cannot grant an exception to the hotel occupancy tax for religious, charitable, or educational organizations without new constitutional or statutory authority to do so.

Letters of tax exemption: The Texas Comptroller maintains an online database of entities that have been granted a "Letter of Tax Exemption" from the state hotel occupancy tax. Note that educational and charitable entities are not exempt from local hotel occupancy taxes. Most commonly, these organizations fall into the religious or charitable categories of exemption from the state hotel occupancy tax. The State Comptroller generally requires a letter of tax exemption to accompany a completed hotel occupancy tax exemption certificate form before an exemption may be granted on this basis. The comptroller's approved letter of exemption database is accessible online at: https://www.comptroller.texas.gov/taxes/exempt/search.php. It is important to note that many entities may be exempt from the state sales tax, but are not exempt from the state or local hotel occupancy tax.

For religious entities with a national affiliation, oftentimes the national organization's letter of tax exemption will cover individual congregations.[38] For example, a search of "Baptist Convention" on the online database reveals that the "NATIONAL BAPTIST CONVENTION OF AMERICA INCORPORATED" holds a letter of tax exemption that will also be valid for subordinate entities. An individual Baptist congregation affiliated with the National Baptist Convention can use the national organization's letter of tax exemption to accompany the signed exemption certificate.

To simplify the hotel occupancy tax exemption issue, THLA publishes a chart that hotels and city governments can utilize to determine when a hotel occupancy tax exemption is permitted under state law and what documentation is required.

[35] §3.163(b).
[36] *See generally* Tex. Tax Code § 351.005; Tex. Comptroller Opinion Letter No. 200202815L, Feb. 22, 2002.
[37] Tex. Att'y Gen. JM-865 (1988).
[38] Tex. Comptroller Opinion Letter No. 200109470L, Sep. 13, 2001.

THLA's Simplified Hotel Occupancy Tax Exemption Rules

TYPE OF BUSINESS REQUESTING EXEMPTION	EXEMPT FROM STATE H.O.T.	EXEMPT FROM LOCAL H.O.T.	COMMENTS
Agricultural Development Corporations	Yes	Yes	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
City & County Employees	Not exempt	Not exempt	Local government employees are not exempt from hotel occupancy taxes, even when traveling on official business.
Charitable Organizations	Depends (see comments to the right)	Not exempt	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.** Charitable entities must be able to show that they devote all or substantially all of their activities to the alleviation of poverty, disease, pain, and suffering by providing food, clothing, drugs, treatment shelter, or psychological counseling directly to indigent or similarly deserving members of society, with entity funds derived from sources other than fees or charges for its services. Other 501 (c) (3) and 501 (c) (6) entities are not exempt.
Texas Educational Organizations (see comments on the right regarding differences between Texas and out-of-state educational organizations)	Yes	Not exempt	**Guest must fill out tax exemption certificate form.** State law limits the state hotel occupancy tax exemption for higher education entities to only Texas institutions of higher education. Out-of-state higher education entities are not exempt from the state or local hotel occupancy tax. However, out-of-state educational entities that are not institutions of higher education (high schools, middle schools, elementary schools, etc.) are exempt from state hotel occupancy taxes just like their Texas counterparts.
Electric & Telephone Cooperatives	Yes	Yes	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
Federal Credit Unions	Yes	Yes	**Guest must fill out tax exemption certificate form, and Present a valid ID.** Texas Comptroller opinion letters indicate that employees traveling on official business as employees of a federal credit union are treated as federal government employees.
Federal Employees (includes FEMA and Red Cross reimbursed rooms)	Yes	Yes	**Guest must fill out tax exemption certificate form,** and **Present a valid ID.**
Foreign Diplomats	Yes	Yes	**Guest must fill out tax exemption certificate form,** and **Guest must present tax exempt card issued by U.S. Department of State.**

TYPE OF BUSINESS REQUESTING EXEMPTION	EXEMPT FROM STATE H.O.T.	EXEMPT FROM LOCAL H.O.T.	COMMENTS
Health Facilities Development Corporations	Yes	Yes	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
Housing Authorities & Finance Corporations	Yes	Yes	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
Pan American Games Olympic Games Local Organizing Committees	Yes	Yes	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
Permanent Residents (30 days or more)	Yes	Yes	Guest must notify hotel of their intent to stay 30 or more days at the beginning. Guests who notify hotel in advance or at check-in of intent to stay longer than 30 days and have no interruption in their stay qualify for a state and local hotel occupancy tax exemption for their first 30 days of their hotel stay, and any consecutive days thereafter. If stay is interrupted, hotel occupancy taxes must be paid. Guests who do not notify the hotel of the anticipated over 30-day duration of their stay are only exempt for hotel occupancy taxes beginning on the 31st consecutive day of their stay.
Public Facility Corporation	Yes	Yes	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
Regional Education Service Centers	Yes	Not exempt	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
Religious Organizations	Yes	Not exempt	**Guest must present Texas Comptroller letter of tax exemption,** and **Guest must fill out tax exemption certificate form.**
High Ranking State Officials with Hotel occupancy tax Exemption Photo ID Card	Yes	Yes	**Guest must fill out tax exemption certificate form,** and **Guest must present state photo ID card that specifically notes that employee is exempt from hotel occupancy tax.** These include only heads of state agencies; members of state boards and commissions; state legislators and their staff; and state judges.
General State Employees without Special Hotel occupancy tax Exemption Photo ID Card	Not exempt	Not exempt	Guest must pay the state and local hotel occupancy tax, and then their state agency may apply for hotel occupancy tax reimbursement from the local and state governments through a separate process.

How the City Receives the Municipal Hotel Occupancy Tax

The hotel occupancy tax is collected from the hotel guest when the guest makes payment for the hotel room. The tax is then remitted by the hotel to the city on a regular basis, to be established by the city, usually monthly or quarterly. Although the Texas Comptroller's Office is not directly involved in the collection of the local hotel occupancy tax, cities sometimes use the same reporting timeframes for local hotel occupancy tax collection that are used by the Texas Comptroller for collection of the state hotel occupancy tax. This allows hotels to follow a consistent payment pattern. The Texas Comptroller's timeframes are as follows: Hotels owing less than $500 in state hotel occupancy tax for each calendar month, or $1,500 for a calendar quarter, report and remit tax on the 20th day of the month following the end of the fiscal year quarter. All other hotels file monthly state hotel occupancy tax returns by the 20th day of the following month. If the 20th day falls on a weekend or bank holiday, the hotel occupancy tax return is due on the next business day.[39]

Regardless of the reporting period used, cities often require hotels to include a copy of the hotel's state hotel occupancy tax report for the Texas Comptroller as part of their report. The state report data may be used to check the local report provided by the hotel to the city. It is important to remember, however, that the amount of taxable revenue will vary to a certain degree between the state and local hotel occupancy tax based on the amount of state hotel occupancy tax exempt business a property handles that is not exempt from the local hotel occupancy tax, and the amount of meeting room rentals subject solely to the state hotel occupancy tax.

Reimbursement to a Hotel for Collection Expenses, and Use of Local Hotel Occupancy Tax Revenues by a City for Tax Collection Costs

By ordinance, a municipality may allow hotel operators to retain up to one percent of the amount of hotel occupancy taxes collected as reimbursement for the costs of collecting the tax.[40] The municipality may require hotels to forfeit the reimbursement because of a failure to pay the tax or failure to file a report as required by the municipality.[41]

Cities may spend each year not more than the lesser of one percent or $75,000 of the city's hotel occupancy tax revenues for the actual costs during that year for the creation, maintenance, operation, and administration of an electronic tax administration system.[42] If a city uses hotel occupancy tax revenue for such a system, the city must allow the hotels to retain one percent of the hotel occupancy tax revenue collected to offset the costs of collecting the tax. A city may contract with a third party for this electronic administration system.[43] The state statutes do not contain any other provisions allowing city governments to retain any of the collected tax to cover costs of imposing or collecting the tax.

A city may not use hotel occupancy tax revenue to pay for audits of area hotels.[44] However, cities that undertake responsibility for operating a facility or event funded by the local hotel occupancy tax may be reimbursed from the hotel occupancy tax revenues for actual expenses incurred in operating the facility or event, if the hotel occupancy tax funded expenditure directly promotes tourism and local hotel and convention activity.[45]

[39] Tex. Comptroller's FAQ, https://comptroller.texas.gov/taxes/hotel/.
[40] Tex. Tax Code § 351.005(a).
[41] § 351.005(b).
[42] § 351.1012.
[43] *Id.*
[44] *Id.*
[45] § 351.101(e).

Penalties for Failure to Report or Collect the Tax

The local hotel occupancy tax statutes provide for specific penalties a city may assess against hotel operators who fail to file the hotel occupancy tax collections report, file late or without full payment, or produce false tax returns.[46]

Interest, penalties, and attorney's fees:
A city may include a provision in its hotel occupancy tax ordinance that imposes a 15 percent penalty of the total amount of the tax owed, but only if the tax has been delinquent for at least one complete municipal fiscal quarter.[47] Additionally, a delinquent hotel operator may be liable to the municipality for the municipality's reasonable attorney's fees.[48] The hotel occupancy tax ordinance may also include a provision that makes it a criminal misdemeanor offense for failure to collect the tax, failure to file a return, filing a false return, or failure to timely make the hotel occupancy tax remittances.[49]

A city may assess interest on delinquent unpaid hotel occupancy taxes, with interest accruing from the first day after the date the hotel occupancy tax is due to the city.[50] The maximum interest rate a city may assess is the greater of either, 1) the prime rate published in the Wall Street Journal plus one percent, or 2) the rate the city imposed on January 1, 2013.[51]

Audits, audit costs, and concurrent state tax delinquencies:
Generally, a city may not use hotel occupancy tax revenues to pay for audit costs associated with administrating the collection of hotel occupancy taxes.[52] However, a city can require a hotel to pay the costs of a city audit of the hotel's revenues if the hotel did not file a tax report as required by the municipality, but only if 1) the hotel is delinquent for at least two complete municipal calendar quarters; and 2) the municipality has not received a disbursement from the Texas Comptroller for the hotel's concurrent state hotel occupancy tax delinquency.[53]

The concurrent state hotel occupancy tax delinquency provision in the Tax Code allows cities to receive a commission from the Texas Comptroller if the Comptroller successfully utilizes city audit information to collect delinquent state hotel occupancy taxes from the hotel.[54] First, a city submits any documentation or other information to the Comptroller that shows a hotel's failure to collect or pay hotel occupancy tax. The Comptroller then reviews the submitted information and determines whether to proceed with state hotel occupancy tax collection and enforcement.[55] If the information submitted by the city results in the collection of delinquency state hotel occupancy taxes, the Comptroller will remit 20 percent of the revenues collected by the Comptroller to the city, to defray the city's hotel occupancy tax audit costs.[56]

Alternatively, a city may request any available state hotel occupancy tax audit information from the Texas

[46] § 351.004.
[47] *Id.*
[48] *Id*.
[49] *Id.*
[50] § 351.0042.
[51] *Id.*
[52] *See generally* § 351.101(e). The Tax Code contains an exception to the prohibition on using hotel occupancy tax revenues to pay for audit costs specific to the City of Amarillo. Under Tex. Tax Code § 351.1067, the City of Amarillo may use hotel occupancy tax revenues to pay for the costs of auditing a hotel, provided the City audits no more than one-third of the total number of hotels in the city in any fiscal year.
[53] § 351.004.
[54] *Id.*
[55] *Id.*
[56] *Id.*

Comptroller. The city must keep such state hotel occupancy tax audit information confidential and use the information only for enforcement or administration of the city's hotel occupancy tax. To obtain such information, a city may make a written request to the Comptroller's Office, Open Records Section, at P.O. Box 13528, Austin, Texas 78711. The request must be on city letterhead and signed by a high-level city official, preferably the mayor. Requests can also be made using an electronic portal found on the Comptroller's website: https://comptroller.texas.gov/about/policies/open-records/. A city may also fax such a written request to the Comptroller's Office, Open Records Section, at (512) 475-1610.

Enforcement Authority of a City

Cities are also given the authority to take the following actions against a hotel operator who fails to report or collect the local hotel occupancy tax:

- require the forfeiture of any revenue the city allowed the hotel operator to retain for its cost of collecting the tax;[57]
- bring a civil suit against the hotel operator for noncompliance;
- ask the district court to enjoin operation of the hotel until the report is filed and/or the tax is paid;[58] and
- any other remedies provided under Texas law.

The most noteworthy of these remedies is the ability of the city to request that the district court close the hotel if the hotel occupancy taxes are not turned over. Informing the hotel operator of the possibility of such a closure generally results in compliance by the hotel.

A city may also require in its hotel occupancy tax ordinance that persons buying a hotel retain out of the purchase price an amount sufficient to cover any delinquent hotel occupancy taxes that are due to the city.[59] If the buyer does not remit this amount or show proof that the hotel is current in remitting its hotel occupancy taxes, the buyer becomes liable for any past delinquent hotel occupancy taxes due on the purchased hotel.[60] The purchaser of a hotel may request that the city provide a receipt showing that no hotel occupancy tax is due ("Letter of No Tax Due") on the property to be purchased.[61] The city is required to issue the statement not later than the 60th day after the request. If the city fails to issue the statement by the deadline, the purchaser is released from the obligation to withhold the amount due from the hotel purchase price.[62]

The statute of limitations for a lawsuit related to the collection and delinquency of hotel occupancy taxes is four years from the date the hotel occupancy tax is due.[63] However, the statute of limitations period does not apply if a hotel fails to file a report for the tax, or if the hotel files a false or fraudulent report with the intent to evade the tax.[64]

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[57] *Id.*
[58] *Id.*
[59] § 351.0041.
[60] *Id.*
[61] *Id.*
[62] *Id.*
[63] *Id.*
[64] *Id.*

Use of Local Hotel Occupancy Tax Revenues

There is a two-part test for every expenditure of local hotel occupancy tax.[65]

Criteria #1: First, every local hotel occupancy tax revenue expenditure must DIRECTLY enhance and promote tourism AND the convention and hotel industry.[66]

Under the Tax Code, every event, program, or facility funded with local hotel occupancy tax revenues must be likely to do two things: 1) directly promote tourism; and 2) directly promote the convention and hotel industry.[67] "Tourism" is defined under Texas state law as guiding or managing individuals who are traveling to a different, city, county, state, or country for business, pleasure, recreation, education, or culture.[68] A "direct" promotion of the convention and hotel industry has been consistently interpreted by the Texas Attorney General as a program, event, or facility likely to cause increased hotel or convention activity.[69] This activity may result from hotel or convention guests who are already in town and choose to attend the hotel occupancy tax revenue funded facility or arts or historical event, or it may result from individuals who come from another city or county to stay in an area lodging property at least in part to attend the hotel occupancy tax revenue funded event or facility.

If the hotel occupancy tax revenue funded event or facility is not reasonably likely to directly enhance tourism and the hotel and convention industry, local hotel occupancy tax revenues cannot legally fund it.[70] However, it is important to note that events and facilities that do not qualify for hotel occupancy tax revenue funding are often still legally eligible for city funding from other funding sources available to the city, such as general property tax revenues, general sales tax revenues, franchise fee revenues, etc.

There is no statutory formula for determining the level of impact an event must have to satisfy the requirement to directly promote tourism and hotel and convention activity.[71] However, communities with successful tourism promotion programs often condition the amount of hotel occupancy tax revenue that is awarded to the proportionate impact of the event or facility on tourism and hotel activity incident to the funding request. Entities applying for hotel occupancy tax revenue funding should indicate how they will market the event to attract tourists and hotel guests. If an entity does not adequately market its events to tourists and hotel guests, it is difficult to produce an event or facility that will effectively promote tourism and hotel activity.

A city or delegated entity should also consider whether a funded event will be held in a venue that will likely attract tourists and hotel guests. For example, if an event is held in a local school or community center, it may be less likely to attract tourists than if it is held at a local performing arts venue, museum, or civic center. Each community will need to assess whether the facility hosting the function is likely to attract tourists and hotel guests. Similarly, if an event is a community picnic, local parade, educational class, or other similar type of event, it is often not likely to attract tourists and hotel guests and would not likely be eligible for hotel occupancy tax revenue funding.

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[65] §§ 351.101(a), (b).
[66] §§ 351.101(b).
[67] *Id.*
[68] § 351.001(6).
[69] *See* Op. Tex. Att'y Gen. Nos. GA-0124 (2003), JM-690 (1987).
[70] *Id.*
[71] *See generally* Tex. Tax Code §§ 351.101(a), (b).

Finally, it is a good practice to utilize a hotel occupancy tax revenue application form. THLA has a sample hotel occupancy tax revenue application form and a "post event" form that are already in use by many city governments throughout Texas. For a copy of these two forms, call THLA at (512) 474-2996, or email THLA at news@texaslodging.com. These forms pose questions of funding applicants such as "Do you have a hotel room block for your events?" and "What do you expect to be the number of room nights sold for this event?" Additionally, the application asks if the entity has negotiated a special hotel price for attendees of their funded event. If the entity does not find the need to reserve a hotel space or a room block or negotiate a special hotel rate, it is not likely that they anticipate their event/s will have a meaningful impact on hotel activity.

City staff and hotel occupancy tax revenue funded entities can also visit with area hoteliers who, in many cases, can provide feedback on whether any of their hotel guests expressed an interest in attending such events or facilities in the past. Hotel front desk and management staff usually know what local events and facilities were of interest to their guests by notes in their reservation systems, requests for directions, and information and transportation to such venues by hotel patrons.

After a hotel occupancy tax revenue grant recipient's event or program is offered for several years, the recipient should have a reasonable idea as to whether their event or program's attendance includes a particular number of tourists and hotel guests. For example, some entities track whether guests are staying at local hotels via their event guest log or surveys. Other entities measure potential out-of-town attendance from their ticket sales records or other survey information.

It is important to note that Texas law also provides that local hotel occupancy tax revenue may not be used for general revenue purposes or general governmental operations of a municipality.[72] It also may not be used to pay for governmental expenses that are not directly related to increasing tourism and hotel and convention activity.[73] For example, consider a request to use the hotel occupancy tax revenue to pay for construction of additional lighting, restrooms, roads, sidewalks, or landscaping in a downtown area. These are expenditures for which the city would traditionally use its general revenues. Therefore, such an expenditure would violate the prohibition against using the hotel occupancy tax revenue for "general governmental operations of a municipality."[74] It is difficult to argue that such improvements to a non-tourism facility would "directly" promote tourism and hotel activity. At best, one could argue the improvements would "indirectly" enhance tourism and hotel activity—which is not sufficient under the clear language of the Tax Code to qualify for funding from the local hotel occupancy tax.

[72] Tex. Tax Code § 351.101(b); *see also* Op. Tex. Att'y Gen. Nos. JM-184 (1984), JM-965(1988).
[73] *Id.*
[74] *Id.*

Criteria #2: Every expenditure of the hotel occupancy tax must clearly fit into one of nine statutorily provided categories for expenditure of local hotel occupancy tax revenues.[75]

The nine categories for expenditure of the hotel occupancy tax are as follows:

1) **Funding the establishment, improvement, or maintenance of a convention center or visitor information center.**

This category allows expenditures of the hotel occupancy tax for the creation, improvement, or upkeep of a convention center or a visitor information center, or both.[76]

Convention centers.
The term "convention center" is defined to include civic centers, auditoriums, exhibition halls, and coliseums that are owned by the city or another governmental entity or that are managed in whole or in part by the city.[77] It also includes parking areas within 1,500 feet of the convention center facility.[78] It does not include facilities that are not of the same general characteristics as the structures listed above.

Texas law specifies that for a facility to be funded as a convention center, it must be a facility primarily used to host conventions and meetings attended by tourists or individuals who spend the night at a hotel or attend a meeting at a hotel.[79] "Primarily used" in this context means that more than 50 percent of the bookings for the facility are to host conventions or meetings that directly promote tourism and the hotel and convention industry.[80]

Simply naming a facility a convention center or visitor information center does not automatically qualify the facility as a "convention center." The authority to use the hotel occupancy tax revenue for facilities is limited and any such facility must meet the above noted "primary usage" test. For example, general civic buildings such as the city hall, local senior citizen centers or activity centers would not qualify as convention centers that could be funded by hotel occupancy tax revenue.

Visitor information centers.
A visitor information center is defined as a "building or a portion of a building that is primarily used to distribute or disseminate information to tourists."[81] A visitor information center may be operated by the city itself or by another entity such as a chamber of commerce or other entity.[82] If the visitor information center and staff serve multiple purposes (e.g., chamber staff or a chamber facility that is both the chamber office and a visitor center), the cost of the visitor center and its operational costs including staffing can only be covered by local hotel occupancy tax revenue to the extent the facility and the staffing are used for activities related to directly funding hotel activity.[83] Municipal hotel occupancy tax revenues may not be spent under the visitor information center category to construct, operate, staff, or maintain a part of

[75] Tex. Tax Code § 351.101(a).
[76] § 351.101(a)(1).
[77] § 351.001(2).
[78] *Id.*
[79] *Id.*
[80] *Id.*; *see generally* Tex. Tax Code §§ 351.101(a), (b).
[81] § 351.001(8).
[82] *Id.*
[83] 351.101(f-1); 351.101(e).

a building or facility that is not primarily used as a visitor information center.[84]

2) Paying the administrative costs for facilitating convention registration.

This provision allows local hotel occupancy tax revenue expenditures for administrative costs that are actually incurred for assisting in the registration of convention delegates or attendees.[85] This is generally an expenditure by bigger cities that hold large conventions, and includes covering the personnel costs and costs of materials for the registration of convention delegates or attendees.

3) Paying for advertising, solicitations, and promotions that attract tourists and convention delegates to the city or its vicinity.

This provision allows hotel occupancy tax revenue expenditures for solicitations or promotional programs/advertising directly related to attracting tourists and convention delegates to the city or its vicinity.[86] Such expenditures are traditionally in the form of internet, social media, newspaper, mail, television, or radio ads; or solicitations to attract attendees to an event or meeting at a facility. The advertising or promotion must directly promote the hotel and convention industry.[87] For example, the Texas Attorney General ruled that the local hotel occupancy tax may not be used for advertising or other economic development initiatives or improvements to attract new businesses or permanent residents to a city.[88]

4) Expenditures that promote the arts.

This section authorizes the expenditure of local hotel occupancy tax revenue for a variety of art-related programs that also promote tourism and local hotel and convention activity.[89] Specifically, it allows funding the encouragement, promotion, improvement, and application of the arts including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution and exhibition of these major art forms.[90] However, it is not enough that a facility or event promotes the arts; Texas law requires that the arts related expenditure also directly promote tourism and the hotel and convention industry.[91]

Section 351.101(a) of the Tax Code specifically states, "the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry." The Texas Attorney General reaffirmed this standard in Opinion GA-0124: "Under section 351.101 of the Tax Code, a municipality may expend its municipal hotel occupancy tax revenue only to promote tourism and the convention and hotel industry, and only for the specific uses listed in the statute."

THLA and Texans for the Arts (TFA) created a memorandum of understanding to assist local governments

[84] § 351.101(f-1).
[85] § 351.101(a)(2).
[86] § 351.101(a)(3).
[87] § 351.101(b).
[88] Op. Tex. Att'y Gen. No. JM-690 (1987).
[89] Tex. Tax Code § 351.101(a)(4).
[90] *Id.*
[91] § 351.101(b).

in implementing hotel occupancy tax laws as they relate to the arts. To comply with the hotel occupancy tax statute, THLA and TFA agree that to be eligible for arts funding from HOT revenues, arts-related recipients must satisfy the following three requirements:

1. The recipient must present, perform, promote, encourage or otherwise make possible, artistic events, cultural performances, programs, exhibitions or lectures involving any of the major art forms listed in Texas Tax Code Section 351.101 (a) (4), or "other arts related to the presentation, performance, execution and exhibition of these major art forms."
2. The hotel occupancy tax funded programs, facilities, or events must be advertised and open to the general public. And,
3. The hotel occupancy tax for funded programs, facilities, or events must be expended in a manner that directly enhances and promotes tourism and the convention and hotel industry.

With regard to the requirement within Number 3 above related to directly enhancing and promoting tourism and the convention and hotel industry, THLA and TFA agree that the Tax Code does not require a recipient to demonstrate a proportionate level of direct impact on tourism and the convention and hotel industry to be eligible for local hotel occupancy tax revenue funding. However, the demonstration of some level of direct impact on tourism and the convention and hotel industry is required.

The following factors may be beneficial to consider, but this list is neither exhaustive nor mandatory:

a. Offering Arts Events as Part of a Tourism/Hotel Event: The hotel occupancy tax revenue funded arts entity can show a direct impact on the hotel and convention industry by providing entertainment or arts related services for conventions, conferences and meetings that are attended in whole or part by convention and/or hotel guests.
b. Use of Hotel Facilities/Services by the Arts: The hotel occupancy tax revenue funded arts entity can show a direct impact on the hotel and convention industry by using local lodging facilities and/or lodging services for galas or other events that are held by the hotel occupancy tax revenue funded arts entity. A direct impact on hotels can also be shown through the use of hotel dining or hotel entertainment facilities by arts patrons either before and/or after hotel occupancy tax revenue funded arts events.
c. Creating or Causing Room Night Activity at Area Hotels: The hotel occupancy tax revenue funded arts entity can show a direct impact on the hotel and convention industry through the reservation of hotel rooms for visiting artists and/or showing other hotel activity that is directly attributable to the hotel occupancy tax revenue funded arts event or facility.
d. Surveying of Attendees at Arts Related Events: The hotel occupancy tax revenue funded arts entity can show a direct impact on the hotel and convention industry through audience or attendee questionnaires, polling, hotel block booking codes, or other methods that show hotel night or other hotel or convention activity that is directly attributable to the hotel occupancy tax revenue funded arts event or facility. Surveying of Attendees at Arts Related Events: The hotel occupancy tax revenue funded arts entity can show a direct impact on the hotel and convention industry through audience or attendee questionnaires, polling, hotel block booking codes, or other methods that show hotel night or other hotel or convention activity that is directly attributable to the hotel occupancy tax revenue funded arts event or facility.

There are many success stories of cities that have partnered with the arts entities to turn one day arts events into multi-day events that can substantially increase tourism and hotel activity. Such partnerships and long-term planning can help both foster the arts and grow hotel occupancy tax revenue proceeds that

can be made available to the arts and other eligible uses.

Expenditure Cap on Art-Related Events and Activities

The percentage of total local hotel occupancy tax revenue funds a city may allocate to the arts category is limited by state statute. Most cities in Texas may not expend more than 15 percent of the city's annual hotel occupancy tax revenue on the arts category. The "Special Rules" section of this guide, starting on page 28, sets forth the funding cap that applies to each city.

Once a city's annual expenditures of local hotel occupancy tax revenue reach the applicable cap on expenditures for the arts, the city may not expend any additional hotel occupancy tax revenue in that budget year for projects which would fairly fit under the arts category. For example, if an expenditure provides funding to advertise an arts program, that expenditure is categorized under the "promotion of the arts" subsection of the Tax Code, and the expenditure would be subject to the annual applicable cap on expenditures for the arts.

Attorney General opinion on arts-related facilities

In 2017, the Texas Attorney General issued opinion number KP-0131 regarding whether a city can expend hotel occupancy tax revenues for an arts-related facility under the arts category of the Tax Code. This opinion was requested by the City of Lakeway regarding funding the construction of a new performing arts center (referred to as "PAC"), to be owned by the City. The City of Lakeway requested an Attorney General opinion on whether the City may legally use hotel occupancy tax revenue to pay for 1) a feasibility study for the PAC, and 2) the construction, operation, and maintenance of the PAC.

In Opinion KP-0131, the Attorney General took a strict position on using local hotel occupancy tax revenue for an arts facility. The opinion states that the phrase, "promotion of the arts," in the state statute does not expressly authorize the use of municipal hotel occupancy tax revenues for the construction of arts facilities. The opinion concluded, "construction costs of theater facilities, considered alone, are not within the scope" of the arts category of hotel occupancy tax expenditures.[92] Based on this reasoning, it seems that the Texas Attorney General holds that funding of a physical structure with local hotel occupancy tax revenue must be specifically authorized under some other statutory category of hotel occupancy tax revenue expenditures, aside from the general "promotion of the arts" category.

In 2021, the Texas Attorney General reaffirmed KP-0131 by issuing KP-0350, regarding whether a city can expend hotel occupancy tax revenues for the completion of public space and a clubhouse at an apartment complex.[93] Opinion KP-0350 held such an expenditure is not allowable under the Tax Code, and reaffirmed KP-0131, stating, "Opinion KP-0131 concluded that construction costs, considered alone, are not within the scope of subsection 351.101(a)(4), and that any construction costs associated with any particular facility are proper costs for the hotel occupancy tax revenue only if they are incurred under subsection 351.101(a)(1). Tex. Att'y Gen. Op. No. KP-0131 (2017) at 2. An expenditure made under subsection 351.101(a)(4) must conform to these limitations to satisfy the second aspect." Additionally, KP-0350 concluded that because the expenditure would benefit apartment residents, rather than hotel guests, the expenditure does not qualify under the Tax Code.

[92] Op. Tex. Att'y Gen. No. KP-0131 (2017).
[93] Op. Tex. Att'y Gen. No. KP-0150 (2021).

5) Funding historical restoration or preservation programs.

A city may spend a portion of its hotel occupancy tax revenues to enhance historical restoration and preservation projects or activities, or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums that are likely to attract tourists and hotel guests.[94] Texas law does not limit such funding to structures that are owned by a public or nonprofit entity, or to whether the project is listed on a historic registry, but the city may choose to impose such limitations by city ordinance or policy.

It is not enough that a project or activity event merely be historical in nature; Texas law requires that the historical related expenditure also directly promote tourism and the hotel and convention industry.[95] Section 351.101(a) of the Tax Code specifically states that "the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry." The Attorney General in Opinion GA-0124 (2003) reaffirmed this standard when it held: "Under section 351.101 of the Tax Code, a municipality may expend its municipal hotel occupancy tax revenue "only to promote tourism and the convention and hotel industry" and only for the specific uses listed in the statute."

Additionally, the percentage of total local hotel occupancy tax revenues that a city may allocate to the historical program's category is generally limited by statute. Most cities in Texas may not expend more than 15 percent of the city's annual hotel occupancy tax revenue on the historical restoration and preservation category.[96] See the "Special Rules" section of this guide, starting on page 28.

6) Funding certain expenses, including promotional expenses, directly related to a sporting event within counties with a population of under one million.

This section authorizes a municipality located in a county with a population of under one million to use local hotel occupancy tax revenue to fund certain expenses, including promotional expenses, directly related to a sporting event.[97] To qualify under this authorization, the sporting event must be one that would "substantially increase economic activity at hotels and motels within the city or its vicinity."[98] The statutory authorization also requires that a majority of the participants in the sporting event be tourists (visitors from another city or county) to the area.[99]

This category is intended to allow communities to fund the event costs for sporting tournaments that result in substantial hotel activity. For example, if a city had to pay an application fee to seek a particular sporting event or tournament, if could use hotel occupancy tax revenue for such an expenditure if the sporting event would substantially increase economic activity at hotels and the city was within a county of under one million population. The added requirement that a majority of the participants must be "tourists" was included to prevent the use of local hotel occupancy tax revenue for sporting related facilities or events that are purely local (e.g., local recreation centers, local little league and parks events, intramural sports, etc.).

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[94] § 351.101(a)(5).
[95] § 351.101(b).
[96] § 351.103(c)
[97] § 351.101(a)(6).
[98] *Id.*
[99] *Id.*

7) Funding the enhancement or upgrading of existing sports facilities or sports fields for certain municipalities.

Certain statutorily bracketed cities may use local hotel occupancy tax revenue to enhance and upgrade existing sports facilities owned by the municipality.[100] The municipality must own the sporting facility, and the municipality must meet one of the following population requirements:

i. The municipality has a population of 80,000 or more, and is located in a county that has a population of 610,000 or less: **Abilene, Amarillo, Baytown, Beaumont, Brownsville, Bryan, College Station, Corpus Christi, Garland, Grand Prairie, Killeen, Laredo, League City, Longview, Lubbock, Mesquite, Midland, New Braunfels, Odessa, Pearland, Round Rock, San Angelo, Temple, Tyler, Waco,** and **Wichita Falls**.[101]

ii. The municipality has a population of at least 80,000, but not more than 125,000, and is located in a county that has a population of less than 240,000 but more than 233,500: **Bryan** and **College Station**.[102]

iii. The municipality has a population of at least 10,000 and is located in a county that has a population of more than 70,000 and borders Lake Livingston; or has a population of 36,000 or more and is located in a county with a population of less than 95,000 that borders Oklahoma: **Huntsville** and **Texarkana**.[103]

iv. The municipality has a population of at least 13,000 but not more than 48,000, and is located in a county that has a population of at least 200,000: **Addison, Alamo, Alton, Alvin, Angleton, Anna, Azle, Balch Springs, Bellaire, Belton, Benbrook, Buda, Burleson, Celina, Cibolo, Colleyville, Converse, Coppell, Copperas Cove, Corinth, Crowley, Deer Park, Dickinson, Donna, Duncanville, Farmers Branch, Forest Hill, Friendswood, Fulshear, Glenn Heights, Groves, Haltom City, Harker Heights, Hewitt, Hidalgo, Highland Village, Horizon City, Humble, Hurst, Hutto, Katy, Keller, Lakeway, La Marque, La Porte, Lake Jackson, Lancaster, Little Elm, Live Oak, Manor, Melissa, Mercedes, Murphy, Nederland, Palmview, Port Neches, Portland, Princeton, Prosper, Rosenberg, Royse City, Sachse, Saginaw, San Benito, San Juan, Schertz, Seabrook, Seagoville, Socorro, South Houston, Southlake, Stafford, Taylor, The Colony, Trophy Club, Universal City, University Park, Watauga, Weslaco, West University Place,** and **White Settlement**.[104]

v. The municipality has a population of at least 70,000, but not more than 90,000, and no part of the city is located in a county with a population greater than 150,000: **Longview**.[105]

vi. The municipality is located in a county that is adjacent to the Texas-Mexico border, the county has a population of at least 500,000, and the county does not have a municipality with a population greater than 500,000: Cities in Hidalgo County including, but not limited to **McAllen, Edinburg, Mission,** and **Pharr**.[106]

vii. The municipality is located in a county that has a population of 100,000 or less and the municipality has a population of, a) more than 24,400 and less than 25,000, or b) more than 28,150 and less than 31,000: **Greenville, Weatherford,** and **Paris**.[107]

viii. The municipality is located in a county that has a population of not more than 300,000 and in

[100] § 351.101(a)(7).
[101] § 351.101(a)(7)(B)(i).
[102] § 351.101(a)(7)(B)(ii).
[103] § 351.101(a)(7)(B)(iii).
[104] § 351.101(a)(7)(B)(iv).
[105] § 351.101(a)(7)(B)(v).
[106] § 351.101(a)(7)(B)(vi).
[107] § 351.101(a)(7)(B)(vii).

which a component university of the University of Houston System is located: **Victoria**.[108]

ix. The municipality has a population of at least 40,000 and the San Marcos River flows through the municipality: **San Marcos**.[109]

x. The municipality is intersected by both State Highways 71 and 95: **Bastrop**.[110]

xi. The municipality that has a population of more than 10,000 and contains a portion of Mound Lake: **Brownfield.**[111]

xii. The municipality that has a population of not more than 15,200, that contains an outdoor gear and sporting goods retailer with retailer space larger than 175,000 square feet: **Buda*.**[112]

xiii. The municipality that has a population of at least 6,000 and that is the county seat of a county that borders that State of Louisiana, is bisected by the United States highway, and has a population of 75,000 or less: **Marshall** and **Carthage.** [113]

xiv. The municipality has a population of more than 67,000 and is located in two counties with 90 percent of the municipality's territory located in a county with a population of at least 800,000, and the remaining territory located in a county with a population of at least four million: **Missouri City**.[114]

xv. The municipality with a population of not more than 1,500 and is located in a county that borders Arkansas and Louisiana: **Queen City***.[115]

xvi. The municipality with a population of at least 200,000 and shares a border with Lake Ray Hubbard: **Garland**.[116]

xvii. A municipality that is the county seat of a county with a population of at least 8,500 and that county contains part of the Chaparral Wildlife Management Area: **Carrizo Springs***.[117]

xviii. A municipality that has a population of more than 67,000 and is located in two counties with 90 percent of the municipality's territory located in a county with a population of at least 800,000, and the remaining territory located in a county with a population of at least four million: **Missouri City**.[118]

xix. A municipality that contains an intersection of Interstate 35E and 35W and at least two public universities: **Denton**.[119]

xx. A municipality that is bisected by the Guadalupe River and is the county seat of a county with a population of 170,000 or more: **Seguin**.[120]

xxi. A municipality that has a population of less than 40,000, contains a portion of Lake Corpus Christi, and is adjacent to a county that has a population of less than 400,000 and contains a municipality with a population of at least 300,000: **Alice**.[121]

xxii. A municipality that has a population of 70,000 or more but less than 90,000 and is located in two counties, one of which has a population of four million or more and the other of which has a

[108] § 351.101(a)(7)(B)(viii).
[109] § 351.101(a)(7)(B)(ix).
[110] § 351.101(k).
[111] § 351.10711.
[112] § 351.101(o). *Buda's legislation allows for the construction of a new sports facility.
[113] § 351.1079(a)(6)(xiv).
[114] § 351.101(a)(6)(x).
[115] § 351.101(n). *Legislation in the 2021 session eliminated the requirement for Queen City's facility to be used at least 10 times in the preceding year for championship sports activity.
[116] §§ 351.101(a)(6)(C); 351.101(a)(7)(B)(xii).
[117] § 351.1069. *Legislation in the 2021 session negated the requirement for Carrizo Spring's facility to be used at least 10 times in the preceding year for championship sports activity.
[118] § 351.101(a)(7)(B)(x).
[119] § 351.101(a)(7)(B)(xi).
[120] § 351.101(t).
[121] § 351.10691.

population of less than 50,000: **Baytown**.[122]

[Note that statutory population brackets are based on the most recent decennial U.S. Census. The most recently decennial Census for which data is available was conducted in 2020. The Texas Legislature updated many of the population brackets via HB 4559 in the 2023 Legislative Session.[123]]

Texas state law further requires that before local hotel occupancy tax can be used for this purpose, the sports facilities and fields must have been used a combined total of more than 10 times for district, state, regional, or national sports tournaments in the preceding calendar year.[124]

If local hotel occupancy tax revenues are spent on enhancing or upgrading a sports facility, the municipality must also determine the amount of "area hotel revenue" generated by hotel activity from sports events held at the local hotel occupancy tax revenue funded facility for the five-year period after the upgrades to the sport facility are completed.[125] The area hotel revenues that were generated from sports events at the hotel occupancy tax revenue funded facility over that five-year period must at least equal the amount of hotel occupancy tax revenue that was spent to upgrade the sports facility. Under this statute, "hotel revenues" refers to the amount of revenue to the hotel from room night sales and any other hotel revenue. It does not refer to the amount of local hotel occupancy tax revenue generated.[126] If the amount of hotel occupancy tax revenue that was spent on the facility upgrades exceeds the hotel revenue attributable to events held at that facility during the five-year period, the municipality must reimburse the hotel occupancy tax revenue fund any such difference from the municipality's general fund.[127]

For example, if a city spent $400,000 on improvements to its soccer fields, it would have to show at least $400,000 in area hotel revenue directly attributable to events held at that soccer field over the five-year period after the soccer field improvements were completed. If the city could only show $300,000 in hotel industry revenue due to events held at that soccer field, the city would have to reimburse the city hotel occupancy tax revenue fund with the $100,000 difference from the city's general fund.

8) Funding transportation of tourists from hotels to attractions

Often with conventions and large meetings, there is a need to transport the convention attendees to different tourism venues. Originally enacted in 2007 and amended in 2023, the Texas Legislature authorized the use of city hotel occupancy tax revenue for any sized city to cover the costs for transporting tourists from hotels to and near the city to any of the following destinations:

- the commercial center of the city;
- a convention center in the city;
- other hotels in or near the city; and
- tourist attractions in or near the city.[128]

[122] § 351.101(s).
[123] Tex. Gov't Code Ann. § 311.005(3) (2023).
[124] Tex. Tax Code §§ 351.101(a)(7), 351.1076.
[125] *Id.*
[126] *Id.*
[127] *Id*.
[128] § 351.110.

The transportation system must be primarily used by tourists.[129] For example, this authority could be used to cover the costs of a city to finance certain private shuttles to operate between the convention center and area hotels and attractions for a large city-wide convention. It is important to note that state law specifically prohibits the use of the local hotel occupancy tax revenue to cover the costs for a transportation system that serves the general public.[130]

9) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

In 2009, the Texas Legislature added a statutory category that allows cities to use municipal hotel occupancy tax revenue to pay for signage directing tourists to sights and attractions frequently visited by hotel guests in the municipality.[131]

Summary of the Nine Uses for the Local Hotel Occupancy Tax

In summary, local hotel occupancy tax revenues only may be spent to establish or enhance a convention center or visitor information center, cover the administrative expenses for registering convention delegates, pay for tourism-related advertising and promotions, fund arts programs or facilities that will directly promote tourism and hotel and convention activity, fund historic restoration or preservation projects that will directly enhance tourism and hotel and convention activity, in certain cities noted above fund certain costs for holding sporting events and making upgrades to sporting facilities that substantially increase local hotel activity, certain transportation costs for taking tourists from hotels to various tourist attractions, and pay for signage directing tourists to sights and attractions frequently visited by hotel guests. If the city cannot fit an expenditure within one of these nine categories, hotel occupancy tax revenues cannot be used for that purpose, unless a special state statute was passed to allow such additional uses. This article also includes a summary of special provisions and limitations placed on cities that fall into certain population brackets or special geographic areas of the state.

Regarding the use of local hotel occupancy taxes, there is no time limit for a city to expend all its hotel occupancy tax funds. At a minimum, however, state law does require that for cities with a seven percent local hotel occupancy tax rate, at least one-seventh of the hotel occupancy tax revenues must be spent advertising and promoting the city to directly impact tourism and the hotel and convention industry.[132] It should also be noted that state law requires that interest earned on hotel occupancy tax must be spent in the same way as other hotel occupancy tax revenues.[133] State law does not address the use of revenues that are earned from events funded by the local hotel occupancy tax.

[129] *Id*.
[130] *Id*.
[131] § 351.101(a)(9).
[132] §§ 351.103, 351.1035, 351.104(d), 351.105(b), and 351.106(a).
[133] §§ 351.001(9), (10).

Administering Hotel Occupancy Tax Revenue Expenditures

City reporting of information to the Texas Comptroller.

Originally enacted in 2017 and amended in 2023, the Texas Legislature enacted a statute requiring all Texas cities that impose a local hotel occupancy tax to annually report to the State Comptroller the hotel occupancy tax rate that the city levies and certain information about the city's expenditures of local hotel occupancy tax.[134] Specifically, the statute requires the city to report:

1) Its municipal hotel occupancy tax rate;
2) The annual amount of hotel occupancy tax revenue collected from the municipality's Chapter 351 hotel occupancy tax and, if applicable, the municipality's venue hotel occupancy tax under Chapter 334 of the Local Government Code;
3) The amount and percentage of the hotel occupancy tax revenue spent by category during the municipality's preceding fiscal year; and
4) The total amount of any hotel occupancy tax revenue collected in the preceding fiscal year that has not been spent and the amount of total unspent hotel occupancy tax revenues.[135]

A municipality that imposes a hotel occupancy tax (HOT) must report this information to the Texas Comptroller via an online reporting form prescribed by the Comptroller. This form can be found at https://comptroller.texas.gov/transparency/local/hotel-receipts/. Legislation enacted in 2023 requires changes to the form prescribed by the Comptroller for reporting hotel occupancy tax; the updated version of this form is expected to be released no later than January 1, 2024. The 2024 report to the Comptroller must be submitted using this revised form.

Reporting Deadlines: Municipalities have a 60-day window to report the required information. The annual reporting period begins on January 1 and ends on March 1 of each calendar year. [136] Legislation enacted in 2023 moved the end of the reporting period back from the prior February date; this will be in effect for the 2024 reporting period.

Costs associated with reporting: To cover potential costs associated with complying with the reporting requirements, a city with a population of less than 10,000 may use up to $1,000 of its municipal hotel occupancy tax revenue for administrative costs for reporting, and a city with a population of 10,000 or more may use up to $2,500 of its municipal hotel occupancy tax revenue for administrative costs for reporting.[137]

Duty of funded entities to provide a list of activities.

All entities (including the city itself) that are directly or indirectly funded by local hotel occupancy tax revenue are annually required to provide a list of the scheduled activities, programs, or events that will directly enhance and promote tourism and the convention and hotel industry.[138] This list is to be provided annually to the city secretary or his/her designee prior to the expenditure of the hotel occupancy tax

[134] § 351.009.
[135] *Id.*
[136] § 351.009.
[137] § 351.009(d).
[138] § 351.108(b).

revenue funding by the funded entity.[139] An entity may add items to this list at any time, and each city decides the format for providing this information. This documentation requirement does not apply if the entity already provides written information to the city indicating which scheduled activities or events that it offers that directly enhance and promote tourism and the convention and hotel industry. For example, cities that require quarterly or annual reports on the use of hotel occupancy tax revenue by hotel occupancy tax revenue funded entities will satisfy this requirement if their report addresses the extent to which their events directly promote tourism and hotel activity.[140]

It is important to remember that if an entity does not have any such events or programs reasonably expected to directly promote tourism and the hotel and convention industry, it is not eligible for local hotel occupancy tax revenue funding.[141] If only a portion of an entity's programs fit these criteria, then only a proportionate amount of that entity's costs should be covered by the local hotel occupancy tax revenue.[142]

Delegating management of funded activities.

The governing body of a city may delegate the management or supervision of programs funded by the hotel occupancy tax revenue by written contract.[143] The delegation may be made to a person, another governmental entity, or to a private organization.[144] The delegation is often made to a local arts council, a chamber of commerce, or to the destination marketing organization. The municipality shall approve the entity's annual budget prior to delegating the management or supervision of hotel occupancy tax revenue funded programs.[145] Furthermore, the municipality shall require the delegated entity to make periodic reports, at least quarterly, listing the hotel occupancy tax revenue expenditures made by the delegated entity.[146] Additionally, the Tax Code requires that the contracted entity maintain complete and accurate financial records for every expenditure of hotel occupancy tax revenue, and upon the request of the municipality or another person, make the records available for inspection and review.[147]

An entity with delegated authority to manage hotel occupancy tax revenue funded programs undertakes a fiduciary duty with respect to the use of the tax revenue.[148] Such entities are also required to maintain the city hotel occupancy tax revenue in a separate bank account that may not be commingled with any other account or funds.[149] The Tax Code does not contain similar prohibitions against commingling the funds for individual organizations, such as an arts or historical group that receives hotel occupancy tax revenue funding for their individual program, but do not themselves oversee hotel occupancy tax revenue funding to other entities.

Use of hotel occupancy tax revenues to cover administrative expenses.

Under Texas law, some municipal hotel occupancy tax revenue may be used to cover the portion of

[139] *Id.;* § 351.108(d).
[140] § 351.108(g).
[141] § 351.101(b).
[142] § 351.101(e).
[143] § 351.101(c).
[144] *Id.*
[145] *Id.*
[146] *Id.*
[147] § 351.101(d).
[148] § 351.101(c).
[149] *Id.*

administrative costs that are directly attributable to work on activities that may be funded by the local hotel occupancy tax revenue.[150] For example, entities that manage activities funded by local hotel occupancy tax revenue may spend some of the tax for certain day-to-day operational expenses.[151] These expenses may include supplies, salaries, office rental, travel expenses, and other administrative costs.[152] However, these costs may be reimbursed only if the expenses are incurred in the promotion and servicing of expenditures authorized under the hotel occupancy tax statutes.[153] The portion of the administrative costs that are covered should not exceed the portion of the cost that is attributable to the activity funded by the hotel occupancy tax revenue.[154] For example, administrators who spend 33 percent of their time overseeing hotel occupancy tax revenue funded programs should seek funding for no more than 33 percent of their salary or 33 percent of other related overhead costs. Additionally, hotel occupancy tax revenues may be spent on travel that is directly related to the performance of the person's job in an efficient and professional manner.[155] This travel should facilitate the acquisition of skills and knowledge that will promote tourism and the convention and hotel industry.[156]

[150] § 351.101(e).
[151] *Id.*
[152] *Id.*
[153] *Id.*
[154] *Id.*
[155] § 351.101(f).
[156] *Id.*

Special Rules for Certain Municipalities

The Texas Tax Code provides additional rules for certain Texas cities based on the city's population or geographic bracket. Where noted, these special rules supplement or further restrict the general two-part test for hotel occupancy tax revenue expenditures, discussed earlier in this guide. For statutory construction purposes, population brackets are based on the decennial federal census, most recently conducted in 2020.[157]

Cities with populations of less than 200,000.

Minimum expenditure on advertising and promotion:
Cities with populations of less than 200,000 must spend a minimum amount of hotel occupancy tax revenue on advertising and promotion, and that minimum depends on the hotel occupancy tax rate adopted by the city: at least the amount of tax revenue derived at a rate of one percent must be spent on advertising and promotion of the city and its vicinity.[158] For example, if a city has a seven percent hotel occupancy tax rate, at least 1/7th of the hotel occupancy tax revenue must annually be spent on advertising and promoting the city and its vicinity to attract tourists and hotel and convention activity.

15 percent maximum expenditure for the arts and 15 percent maximum expenditure for historical restoration and preservation:
Under § 351.103(c), a city with a population of under 200,000 may not expend more than the greater of either 15 percent of the hotel occupancy tax revenue collected or the amount of tax received by the city at the rate of one percent of the cost of a room on promotion of the arts.[159] Additionally a city with a population of under 200,000 may not allocate more than 15 percent of its hotel occupancy tax revenue for historical restoration or preservation projects.[160]

Cities with a population of 200,000 or greater (except Houston): Arlington, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Frisco, Garland, Irving, Laredo, Lubbock, Plano, and San Antonio.

In addition to the general two-part test for all expenditures of the hotel occupancy tax revenue, the above cities have certain specific expenditure limitations that apply to their handling of the local hotel occupancy tax.

15 Percent maximum expenditure for the arts and 15 percent maximum expenditure for historical restoration and preservation:
Under § 351.103(c), a city with a population of at least 200,000 may not expend more than the greater of either 15 percent of the hotel occupancy tax revenue collected or the amount of tax received by the city at the rate of one percent of the cost of a room on promotion of the arts.[161] Also, a city with a population of more than 125,000 may not spend more than 15 percent of its hotel occupancy tax revenue on

[157] Tex. Gov't Code § 311.005(3).
[158] § 351.103.
[159] § 351.103(c).
[160] *Id.*
[161] § 351.103(c).

historical restoration and preservation programs.[162]

Garland only: The City of Garland is subject to a special statutory provision that requires it to spend at least 30 percent of its annual hotel occupancy tax revenues to advertising and promotion.[163]

Special rules for the City of Houston.

Maximum hotel occupancy tax rate for Houston:
Houston is capped by statute at a total combined hotel occupancy tax rate of 17 percent.[164] This includes the state, city, county, and sports authority hotel occupancy taxes.[165]

Minimum 23 percent expenditure for advertising and promotion:
The City of Houston must spend at least 23 percent of the tax revenue it collects on advertising and promotion, unless the allocation impairs the City's ability to operate and maintain its convention center facilities or to pledge revenue for the payment of convention center bonds.[166]

Maximum 19.3 percent expenditure for arts:
The City of Houston may not expend more than the greater of 19.3 percent of the hotel occupancy tax revenue collected or the amount of tax received by the city at the rate of 1 percent of the cost of a room on promotion of the arts.[167]

Special Rules for Dallas, Austin, Fort Worth, and San Antonio:

Dallas: 55 percent maximum on funding a convention center, and 45 percent minimum on advertising.
Dallas falls into an additional category, "Populous Municipalities with Council-Manager Government," which requires it to use the revenue derived from the portion of the municipal hotel occupancy tax rate that exceeds four percent for the following purposes: 1) no more than 55 percent for the municipality's convention center complex; and 2) at least 45 percent for advertising and promotion.[168] The tax revenue derived from the application of the tax at a rate of up to four percent may be spent for any of the purposes authorized by Section 351.101.

Additional two percent rate for a convention center facility (Austin, Fort Worth, and San Antonio):
Austin, Fort Worth, and San Antonio are authorized to impose up to a nine percent maximum municipal hotel occupancy tax rate.[169] The revenue derived from application of the tax at a rate more than seven percent, and its interest income, may only be used for the construction of an expansion of an existing convention center facility.[170] This nine percent maximum rate does not apply to Dallas, nor to eligible central municipalities with a population of less than 440,000: Arlington, Corpus Christi, Garland, Grand Prairie, and Irving.[171]

[162] § 351.103(c).
[163] § 351.103(b-1).
[164] Tex. Tax Code §§ 352.003, 351.003(a); Tex. Local Gov't Code Ann. § 382.155 (2023).
[165] *Id.*
[166] Tex. Tax Code § 351.103(b).
[167] § 351.103(c).
[168] § 351.106.
[169] § 351.003(b).
[170] §§ 351.1065, 351.003(b).
[171] § 351.003(b).

Project financing zones for Houston, San Antonio, Dallas, Austin, Fort Worth, and Corpus Christi:

The cities of Houston, San Antonio, Dallas, Austin, Fort Worth, and Corpus Christi have statutory authority to receive "incremental" state hotel occupancy tax revenues, state sales tax revenues, and mixed beverage tax revenues for 30 years from hotels within a three mile radius of a "qualified project."[172] Known as a "project financing zone" or a "PFZ," this special development tool was originally created in 2013 for Fort Worth and Dallas, and the statute was then amended in 2023 to add Houston, San Antonio, Austin, and Corpus Christi.

In Houston, San Antonio, Austin, and Corpus Christi, a "qualified project" means a convention center, arena, coliseum, stadium, or other type of arena or facility.[173] In Fort Worth, a "qualified project" means a convention center as well as the Will Rogers Memorial Center complex.[174] In Dallas, a "qualified project" is exclusively a convention center.[175] The "incremental tax revenue" consists of the additional state hotel occupancy tax revenues, state sales tax revenues, and mixed beverage tax revenues at certain hotels that exceed a base amount collected from hotels within a three-mile radius of the project. The state funding can be used to fund the construction or improvement of the qualified project, and local hotel tax revenue can also be pledged to the qualified project.

To start the PFZ process, the city first designates the project financing zone by city ordinance. Within 30 days of the designation of the project financing zone, the city notifies the Texas Comptroller of the designation.

Base year amounts are determined for state hotel occupancy tax revenues, state sales tax revenues, and mixed beverage tax revenues collected from hotels located within the three-mile zone starting in the year in which financing zone is designated by the city.

Then the "incremental hotel-associated revenue" is calculated by determining the amount of annual state hotel occupancy tax revenues, state sales tax revenues, and mixed beverage tax revenues collected from hotels within the three-mile zone that are in excess of the "base year amount." The city is entitled to receive this incremental revenue from the Texas Comptroller, beginning on January 1st after the project's designation, and ending when the project financing zone expires.

Additional rules for certain large coastal municipalities: Corpus Christi.

Public beach expenditures:
The City of Corpus Christi is authorized to use all or any portion of the city hotel occupancy tax revenue collected from hotels that are within areas that were annexed by the City of Corpus Christi and were previously subject to the county hotel occupancy tax toward cleaning and maintaining public beaches.[176]

[172] Tax Code §§ 351.1015, 351.106(c).
[173] § 351.1015(k) and (l).
[174] § 351.1015(a)(5).
[175] § 351.106(c).
[176] § 351.1055.

Expenditures from the portion of municipal hotel occupancy tax rate exceeding seven percent:
The City of Corpus Christi must separately account for all hotel occupancy tax revenue it derives from a city hotel occupancy tax rate that exceeds seven percent (up to a maximum of nine percent).[177] The city may only use revenue from the portion of the city hotel occupancy tax rate that exceeds seven percent for acquiring land for a municipally owned convention center; constructing, improving, operating and maintaining the convention center; and paying bonds to finance these activities.[178]

Special rules for "eligible coastal municipalities:" Galveston, Port Aransas, Surfside Beach, and Quintana.

A different set of revenue expenditure rules apply for eligible coastal municipalities, defined as a "home-rule municipality that borders on the Gulf of Mexico and has a population of less than 80,000," or "a municipality that borders on the Gulf of Mexico and has a population of less than 1,500."[179] The cities of Galveston, Port Aransas, Surfside Beach, and Quintana fit this bracket's description. The Tax Code limits the allocation of local hotel occupancy tax revenue for eligible coastal municipalities in the following ways:

- **Minimum expenditure for improvements to civic centers, hotels, marinas, golf courses, trolleys, and other improvements that attract tourists**:
  If the city levies a rate of seven percent, at least one percent of the cost of a room shall be used for the payment of bonds issued to establish, acquire, purchase, construct, or improve public improvements that serve the purpose of attracting visitors and tourists, such as parks, civic centers, auditoriums, coliseums, marinas, cruise ship terminals, hotels, motels, parking facilities, golf courses, trolleys or trolley transportation systems.[180] This one percent may also be used for maintenance, improvement, or operation of any of the above facilities.[181] For eligible coastal cities with a seven percent rate, this requirement mandates dedicating 1/7th of the hotel occupancy tax revenue for items within the above noted purposes.[182]

- **Minimum expenditure for matching funds for beach clean-up:**
  If the city levies a rate of six percent or more, at least one percent of the cost of a room shall be used as matching funds for state funds and other funds available to clean and maintain public beaches.[183] For example, if the city levied a seven percent local hotel occupancy tax, at least 1/7th of the hotel occupancy tax must be spent on beach clean-up. However, a city may credit any funds it receives from the state hotel occupancy tax for beach clean-up toward meeting this obligation.

- **Minimum one percent expenditure for other beach related safety expenditures**:
  If the city levies a rate of five percent or more, at least one percent of the cost of a room shall be used for beach patrol, lifeguard services, marine water safety, and park law enforcement.[184] For example, if the city levied a seven percent local hotel occupancy tax, at least 1/7th of the hotel

[177] §§ 351.1055, 351.003(c), 351.107(e).
[178] *Id.*
[179] § 351.001(3).
[180] § 351.105.
[181] *Id.*
[182] *Id.*
[183] *Id.*
[184] *Id.*

occupancy tax must be spent on the above noted beach related expenditures. However, a city may credit any funds it receives from the state hotel occupancy tax for beach related expenditures toward meeting this obligation.[185]

- **Minimum three percent expenditure for advertising and promotion**:
  If the city levies a rate of four percent or more, at least three percent of the cost of a room shall be used for advertising and promotion.[186] For example, if the city levied a seven percent local hotel occupancy tax, at least 3/7th of the hotel occupancy tax must be spent on advertising and promotion.

Special state funding for beach clean-up: Galveston.

In 1995, the Texas Legislature passed a special statute that dedicates the revenue generated from the state hotel occupancy tax at a rate of two percent (one third of the state hotel occupancy tax) from Galveston lodging operators to beach erosion and beach safety.[187] For example, if the six percent state hotel occupancy tax generates $300 in state hotel occupancy tax proceeds, $100 is given back to the City of Galveston to use for clean-up of beaches within the City of Galveston.

The implementing legislation that authorizes this funding only applies to an "eligible coastal municipality" that has created a park board of trustees to clean and maintain public beaches.[188] An eligible coastal municipality is defined under state law to be a city that,

1. Borders on the Gulf of Mexico; and
2. Has a population of less than 80,000.[189]

A city is eligible to adopt a park board of trustees for beach clean-up only if it,

1. Is a home rule city;
2. Has over 40,000 in population;
3. Is under 80,000 in population; and
4. Borders the Gulf of Mexico.[190]

According to the Texas Comptroller's Office, the only Texas city that fits both the definition of an "eligible coastal municipality" and the definition of a city that may adopt a park board of trustees for beach clean-up is Galveston.[191] Accordingly, Galveston receives one-third of the state hotel occupancy taxes collected from Galveston area hoteliers for beach clean-up purposes through a payment from the Texas Comptroller.

Special state funding for beach clean-up: Corpus Christi, Port Aransas, Quintana, South Padre Island, and Surfside Beach.

Originally enacted in 1999, and amended in 2009, 2013, and 2015, the Texas Legislature passed a special statute, similar to the authority relating to Galveston, dedicating a portion of the state hotel occupancy

[185] *Id.*
[186] *Id.*
[187] § 156.2511.
[188] *Id.*
[189] § 351.001(3).
[190] Tex. Loc. Gov't Code Ch. 306.
[191] Tex. Comptroller Opinion Letter No. 200007471L, July 6, 2000.

tax generated from certain eligible barrier island coastal municipalities to beach clean-up. Cleaning and maintaining beaches also includes beach safety.[192]

The implementing legislation for this funding applies only to certain eligible "barrier island coastal municipalities:" Corpus Christi, Port Aransas, Quintana, South Padre Island, and Surfside Beach.[193] The State of Texas provides a payment to the city of two percent of the six percent state hotel occupancy revenue collected by the State from lodging operators in the municipality.[194] This payment of state hotel occupancy tax revenue can be used by each city only to clean and maintain public beaches in that municipality, for an erosion response project in that municipality, and to clean and maintain bay shores owned by the municipality or leased by the municipality from the State.[195]

Special rules for South Padre Island

Municipal hotel occupancy tax funding for coastal erosion: South Padre Island.
In 2009, the Texas Legislature amended Chapter 351 of the Tax Code to allow the City of South Padre Island to increase its hotel occupancy tax rate to 8.5 percent.[196] The law dedicates seven percent of the 8.5 percent rate to advertising and promotion or convention center related purposes.[197] One percent can be used for any purpose authorized under Tax Code § 351.101. This legislation dedicates the remaining one-half percent of municipal hotel occupancy tax to coastal erosion projects.[198]

Spaceport Viewing, Ecological Tourism, and Fishing Piers.
The City of South Padre Island has specific legislation allowing the City to use a limited amount of hotel occupancy tax revenue for the promotional and event expenses of an ecological tourism event if the majority of the event's participants are tourists, and if the event substantially increases economic activity at area hotels.[199]

The legislation also allows South Padre Island to expend local hotel occupancy tax revenue on expenses related to the improvement of sites for hotel guests to observe spacecraft launches.[200] If South Padre Island uses hotel occupancy tax revenue for a spaceport viewing facility, the City may not reduce the amount of revenue that is used for advertising and promotion to an amount that is less than the average amount of revenue used by the City for advertising and promotion during the 36-month period that precedes the City's first use of revenue for a spaceport viewing facility.[201]

Both of these uses (spaceport viewing facilities and eco-tourism events) are capped to a combined total of no more than 15% of the hotel occupancy tax collected by the municipality.[202]

The City may also use revenue for expenses directly related to the construction, improvement, equipping,

[192] Tax Code § 156.2512.
[193] *Id.*
[194] Tax Code § 156.2512
[195] *Id.*
[196] Tax Code §§ 351.001(11), 351.003(d).
[197] § 351.1055(d).
[198] § 351.1055(e).
[199] Tax Code §§ 351.1054, 351.1055(d).
[200] *Id.*
[201] *Id.*
[202] *Id.*

repairing, operation, and maintenance of coastal sports facilities owned by the city, including boat docks, boat ramps, and fishing piers, if the coastal sports facilities have been used in the preceding calendar year a combined total of more than five times for district, state, regional, or national sports tournaments or events and the majority of the events at the coastal sports facilities are directly related to a sports tournament or event in which the majority of participants are tourists who substantially increase economic activity at hotels within or in the vicinity of the municipality.[203]

Special rules for medium sized home rule coastal cities with a population of less than 85,000 and that border bays: Ingleside, Portland, Aransas Pass, La Porte, Seabrook, Port Lavaca, Rockport, Baytown, Texas City, and Palacios.

Home-rule cities that have a population of less than 85,000 and border bays, and that are not an eligible coastal municipality, operate under a unique statute that governs the expenditure of hotel occupancy tax revenues.[204] These medium sized home rule coastal cities have the ability to use local hotel occupancy tax revenue for certain special beach related purposes and for tourism related public improvements, but these cities also have additional limitations on how the city uses hotel occupancy tax revenues.[205]

Under § 351.104(c), a medium sized home rule coastal city may use up to 10 percent of the city's hotel occupancy tax revenue for any of the following:

1) for a purpose described by Section 351.105(a)(1) or (2);
2) to clean and maintain land owned by a governmental entity that is adjacent to a bay that is bordered by the city; or
3) to mitigate coastal erosion on land owned by a governmental entity that is adjacent to a bay that is bordered by the city.[206]

The statutory provision regarding the use hotel occupancy tax revenue for a purpose described by Section 351.105(a)(1) or (2) is particularly relevant. This section refers to "tourism related improvements," which incudes the establishment, acquisition, purchase, construction, improvement, enlargement, equipment, or repair of public improvements, including parks, civic centers, civic center buildings, auditoriums, exhibition halls, coliseums, marinas, cruise ship terminal facilities, hotels, motels, parking facilities, golf courses, trolley or trolley transportation systems, and other facilities as may be considered advisable in connection with these facilities that serve the purpose of attracting visitors and tourists to the municipality.[207]

Again, use of hotel occupancy tax revenue for these purposes is limited to 10 percent of the city's total hotel occupancy tax revenue derived under Chapter 351 of the Tax Code.[208] Furthermore, the amount that is spent from the hotel occupancy tax revenue fund for any of the purposes described above must be matched by the city with the same amount of revenue from a source other than the hotel occupancy tax.[209]

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[203] § 351.1054(3).
[204] § 351.104.
[205] *Id.*
[206] § 351.104(c).
[207] § 351.105.
[208] § 351.104(c).
[209] § 351.104(e).

Additionally, if the medium sized home rule coastal city uses hotel occupancy tax revenue for any of the purposes described above (e.g. for a convention center or for a coastal erosion project), the city's advertising and promotion budget may not be set at an amount that is less than the average amount of revenue used by the city for advertising and promoting the city as a tourism destination during the 36-month period that preceded the city's use of city hotel occupancy tax for beach maintenance or tourism related public improvements.[210]

Special rules for small coastal municipalities with a population of less than 5,000, adjacent to a home-rule city with a population of less than 80,000: Jamaica Beach.

Coastal cities with a population of less than 5,000 adjacent to a home-rule city with a population of less than 80,000 may use all or any portion of the municipal hotel occupancy tax revenue it collects to clean or maintain beaches within the city, to provide beach security (defined as beach patrol, lifeguard services, marine water safety and park law enforcement) within the municipality, and to pay for any purpose allowed by Tex. Tax Code § 351.105 or Tex. Gov't Code § 1504.001.[211] The maximum municipal hotel occupancy rate for cities in this bracket is nine percent.[212]

Special rules for the City of Alpine.

Minimum expenditure on advertising and promotion:
The City of Alpine must spend at least 50 percent of its hotel occupancy tax revenue on advertising and promotion to attract tourists and convention delegates or registrants to the city or its vicinity.[213]

Maximum expenditure for arts:
Alpine's maximum percentage for the promotion of the arts is 15 percent of its hotel occupancy tax revenues.[214]

Maximum expenditure for historical restoration and promotion projects:
Alpine's maximum percentage for historical restoration and promotion of historical projects is 15 percent of its hotel occupancy tax revenues.[215]

Special rules for the City of Nassau Bay.

The City of Nassau Bay has special legislation on point that allows that city to use hotel occupancy tax revenue for a convention center, marina, visitor center meeting room, or hotel facility that substantially enhances hotel activity in the city.[216] The facility must be owned by a city and be located within a 1,000 feet of a hotel property.[217] The total amount spent may not exceed the amount of hotel revenue attributable to events at that facility for the fifteen year period following the construction of the

[210] § 351.104(d).
[211] § 351.1055(c).
[212] § 351.003(c).
[213] § 351.1035.
[214] *Id.*
[215] *Id.*
[216] Tax Code §§ 351.101(j), 351.1071.
[217] *Id.*

improvement.[218] The City must annually publish a report noting the hotel activity that is generated from activities funded by this expenditure of hotel occupancy tax revenue and is subject to a requirement to refund the hotel occupancy tax fund from the City's General Fund if the project does not have the required return on investment in hotel activity.[219]

Special rules for Blanco, Dripping Springs, Hays City, Johnson City, Mountain City, Wimberley, and Woodcreek: Dark skies. And ecological tourism for Wimberley only.

In 2019, the cities of Blanco, Dripping Springs, Hays City, Johnson City, Mountain City, and Woodcreek were given unique authority to use hotel occupancy tax revenue for the promotion and preservation of "dark skies." In 2023, the City of Wimberley was given the same dark skies authority.[220] These funds can be applied to the cost of construction and maintenance of related infrastructure and the purchase and installation of hardware that reduces "light pollution" and "sky glow."[221]

This authority requires that if these cities expend hotel occupancy tax revenue for this purpose, the city must determine the amount of area hotel revenue that is attributable to dark sky related events and activities for five years after the city first uses hotel occupancy tax revenue for this purpose. The city may not spend municipal hotel occupancy tax revenue on dark skies-related purpose in an amount that exceeds the area hotel revenue attributable to dark skies related events and activities. Additionally, if a city utilizes this "dark skies" authority, the city may not spend more than 25 percent of the city's annual hotel occupancy tax revenue for this purpose.[222]

Additionally, in 2023, the City of Wimberley was given authority similar the City of South Padre Island related to ecological tourism. Wimberley may use a limited amount of hotel occupancy tax revenue for the promotional and event expenses of an ecological tourism event if the majority of the event's participants are tourists, and if the event substantially increases economic activity at area hotels. The City of Wimberley may not spend more than 25 percent of its annual hotel occupancy tax revenues for eco-tourism and dark skies combined. And the City may not reduce the amount of money it spends on advertising and promotion if it does use hotel occupancy tax revenue for dark skies or ecological tourism.

Special rules for Bryan and College Station: Sports facilities.

The cities of Bryan and College Station have special legislation that provides authority to use hotel occupancy tax revenue for new sporting facilities or fields if the facilities or fields are owned by the municipality, and if a majority of the events at the facility or field are directly related to a sporting event that substantially increases hotel activity.[223] The city may not use hotel occupancy tax revenue for the acquisition of the land.[224] The facilities must meet strict requirements for return on investment for the

[218] *Id.*
[219] *Id.*
[220] § 351.10693.
[221] § 351.10692.
[222] § 351.10692(c)(1).
[223] Tax Code §§ 351.101(i), 351.1078.
[224] *Id.*

hotel industry: The city may not spend more on the facility or field than will be generated in hotel revenue from sporting events held at that facility over the next five years.[225]

The city must publish an annual report of the actual room night and economic impact of events held at the facility or field and must reimburse the hotel occupancy tax fund for any deficit between the amount spent on the facility from hotel occupancy tax revenue and the amount of hotel revenue generated from events at the facility over the subsequent five years.[226] At least annually, a city must compare the area hotel revenue that is attributable to sporting events at the sporting related facilities. In a situation where the area hotel revenue attributable to the sporting facility is less than the projected amount, the city must create a practical plan to increase revenue.[227]

Special rules for Carrizo Springs, Dilley, Jourdanton, Pecos, Pearsall, Pleasanton, and San Benito: Sports Facilities.

The cities of Carrizo Springs, Dilley, Jourdanton, Pecos, Pearsall, Pleasanton, and San Benito have special legislation that provides authority to issue bonds payable with hotel occupancy tax revenue for certain limited sporting facilities.[228] The sporting facility must have the requisite amount of hotel impact before they are funded, and the city must annually report the room night and economic impact of events held at the facility.[229] The city may not expend more hotel occupancy tax on the facility improvements than will be generated in room night revenue from events held at the facility over a 15 year period, and this must be projected by an independent analyst before hotel occupancy taxes are used for this purpose.[230]

Special rules for Shenandoah: Sports facility.

Shenandoah may use local hotel occupancy tax revenue on a sports-related facility with seating for at least 4,500 people that is used or is planned for use for one or more professional or amateur sports events or other events, including rodeos, livestock shows, and performing arts events.

Special rules for Garland: Sports facility and minimum expenditure threshold for advertising and promotion.

Garland has the authority to make enhancements, and improvements to an existing city owned sports facility. Additionally, Garland must allocate at least 30% of its hotel occupancy tax revenue for advertising and promotion of the city as a tourism destination.[231]

[225] *Id.*
[226] *Id.*
[227] § 351.1078(c).
[228] Tex. Tax Code § 351.1066.
[229] *Id.*
[230] *Id.*
[231] § 351.101(b-1).

Special rules for the City of Cedar Park and Webster: Coliseum or multiuse facility.

In 2019, the Legislature authorized the cities of Cedar Park and Webster to use local hotel occupancy tax revenue for the construction improvement, enlarging, equipping, renovating, repairing, operation, and maintenance of a coliseum or multiuse facility if the majority of the events at the coliseum or facility attract tourists who substantially increase economic activity at hotels in the municipality.[232]

Special rules for the City of Odessa and the City of Victoria: Sports facilities located on land owned by a state university.

In 2019, the City of Odessa obtained statutory authority to allow the City to use local hotel occupancy tax revenue to construct and maintain a sports facility located in the municipality or a multipurpose sports facility located on land owned by the University of Texas Permian Basin (UTPB) if the City leases the land from UTPB for at least 25 years.[233] In 2021, legislation amended Odessa's population bracket to give the City of Victoria the same authority regarding the University of Houston-Victoria.

If Odessa or Victoria spends hotel occupancy tax revenues on a sports facility, the City must determine the amount of "area hotel revenue" generated by hotel activity from sports events held at the hotel occupancy tax funded facility for seven years after the City initially expends hotel occupancy tax revenue for this purpose.[234] The area hotel revenues that were generated from sporting events at the hotel occupancy tax funded facility over that seven year period must at least equal the amount of hotel occupancy tax that was spent to construct the sporting facility.[235] If the amount of hotel occupancy tax that was spent on the sporting facility exceeds hotel revenue attributable to events held at that facility over that seven year period, the municipality must reimburse the hotel occupancy tax revenue fund any such difference from the municipality's general fund.[236]

Additionally, the City may not reduce funding for advertising and promotion during the time period that the sporting facility receives hotel occupancy tax funding.[237]

Special rules for the City of Edinburg: Sports facilities.

In 2019, the Legislature modified the City of Edinburg's existing authority to use local hotel occupancy tax revenue to fund the enhancement or upgrades of existing sports facilities or sports fields.[238] The city may use hotel occupancy tax revenue to pay debt service on the sports facility or field, and to pay for related infrastructure located within 2,500 feet of the sports facility. The sports facility, field or related infrastructure must generate hotel revenue in an amount that is at least equal to the hotel occupancy tax expended on the facility or related infrastructure within a 10-year period.[239]

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[232] § 351.101(q).
[233] § 351.10712.
[234] *Id.*
[235] *Id.*
[236] *Id*.
[237] *Id.*
[238] § 351.101(a)(7)(B)(vi).
[239] § 351.1068(b).

Special rules for the City of Bay City: Sports facilities.

In 2023, the Legislature provided authority for the City of Bay City to use municipal hotel occupancy tax revenue to construct and expand recreational or sports facilities and fields owned by the municipality or another governmental entity, as well as operate these facilities.[240] If Bay City spends hotel occupancy tax revenue on the these sports facilities, the City may not reduce the amount of revenue that is used for advertising and promotion to an amount that is less than the average amount of revenue used by the City for advertising and promotion during the 36-month period preceding that fiscal year.[241]

If local hotel occupancy tax revenues are spent on the construction, enhancing or upgrading a sports facility, the municipality must also determine the amount of "area hotel revenue" generated by hotel activity from sports events held at the local hotel occupancy tax revenue funded facility for the five-year period after the upgrades to the sport facility are completed.[242] The area hotel revenues that were generated from sports events at the hotel occupancy tax revenue funded facility over that five-year period must at least equal the amount of hotel occupancy tax revenue that was spent to upgrade the sports facility. Under this statute, "hotel revenues" refers to the amount of room night sales and other hotel revenue generated. It does not refer to the amount of local hotel occupancy tax revenue generated.[243] If the amount of hotel occupancy tax revenue that was spent on the facility upgrades exceeds the hotel revenue attributable to events held at that facility during the five-year period, the municipality must reimburse the hotel occupancy tax revenue fund any such difference from the municipality's general fund.[244]

Special rules for Rockport.

Nearly all Texas cities are capped at using no more than 15 percent of the city's local hotel occupancy tax revenue on the arts. In 2017, Rockport obtained statutory authority to spend up to 30 percent of the City's hotel occupancy tax revenue on the arts.[245] However, if Rockport spends more than 15 percent of its hotel occupancy tax revenue on the arts, the City must determine for that fiscal year the increase in the amount of hotel revenue that is attributable to that expenditure, and the total amount of hotel occupancy tax revenue spent by the city on the arts. If the amount of hotel revenue attributable to the arts is less than the amount of hotel occupancy tax revenue spent on the arts, the city shall reimburse the city's hotel occupancy tax revenue fund from the city's general fund an amount equal to 50 percent of the difference.[246]

Additionally, if Rockport spends more than 15 percent of its local hotel occupancy tax revenue on the arts, the City may not reduce the amount of revenue that is used for advertising and promotion to an amount that is less than the average amount of revenue used by the City for advertising and promotion during the 36-month period preceding that fiscal year.[247]

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[240] § 351.10713.
[241] § 351.10713(e).
[242] § 351.10713(c), (d).
[243] *Id.*
[244] *Id*.
[245] § 351.1075.
[246] § 351.1075(c)(2).
[247] § 351.1075(c)(1).

Special rules for Marfa.
Marfa is situated hundreds of miles from the nearest airport with scheduled airline service, yet the city caters to a thriving high-end tourism base that often accesses the area by private flights into the Marfa airport. As the number of private jets ferrying tourists and hotel guests has increased, the small county-owned airport has suffered from a lack of repairs to handle private jet aircraft. A special state law allows Marfa to use local hotel occupancy tax revenue to repair its municipal airport facility, subject to a number of restrictions.[248] First, the airport must be one without commercial air service, and the airport must be substantially used for private air service that transports passengers staying at hotels in or near the city.[249] Second, Marfa cannot spend more than 15 percent of its annual hotel occupancy tax revenue on airport improvements, nor can Marfa spend hotel occupancy tax revenue in an amount that exceeds what is returned in hotel revenue generated by increased private air passengers staying at Marfa hotels.[250] Third, this airport spending authority expires in 2032, and the City cannot expend hotel occupancy tax revenue on the airport for more than a ten-year period once initiated.[251]

Qualified Hotel Project (QHP) Incentives:

The State of Texas provides economic development incentives for certain qualified hotel project (QHPs) near convention centers by offering an entitlement of state tax revenues to qualifying cities. The process for securing these entitlements (i.e., state sales tax revenue and state hotel occupancy tax revenue) can be quite involved, and eligible cities must closely follow a series of steps and rules promulgated by the Texas Comptroller to ensure the receipt of state funds.

State Tax Revenue Incentives:
Certain statutorily bracketed municipalities as defined below are entitled to receive an entitlement of state hotel occupancy tax revenue and state sales tax revenue from the eligible QHP for the first 10 years after the project opens for initial occupancy.[252] Additionally the municipality may pledge local hotel occupancy tax revenue from the qualified hotel project, mixed beverage tax revenue, and other local tax revenue such as ad valorem tax revenue and sales tax revenue for the qualified hotel project.[253]

In nearly all instances, the QHP must be owned by or located on land owned by the municipality, or by a nonprofit corporation acting on behalf of an eligible central municipality.[254] The QHP must also be connected to or located within 1,000 feet of a qualified convention center facility owned by the municipality.[255]

The state tax revenue entitlements are for the "payment of bonds or other obligations issued or incurred to acquire, lease, construct, and equip the hotel and any facilities ancillary to the hotel, including convention center entertainment-related facilities, restaurants, retail establishments, street and water and sewer infrastructure necessary for the operation of the hotel or ancillary facilities, and parking

[248] § 351.1036.
[249] § 351.1036.
[250] § 351.1036.
[251] § 351.1036.
[252] §§ 351.102(c), 351.156, 151.429(h); Gov't Code § 2303.5055.
[253] § 351.157(d)(2).
[254] §§ 351.151(3)(A), 351.153.
[255] § 351.151(3)(B).

facilities within 1,000 feet of the hotel or convention center facility."[256]

In 2019, the Texas Legislature redefined and narrowed the scope of many definitions that apply to the qualified hotel project program:

> The term "retail establishment" is defined as an establishment engaged in activities described by the North American Classification System section 442-443,445-446, 448, 451-453.[257]
>
> "Infrastructure" includes a road, street highway, bridge, overpass, underpass, and interchange; a fresh, reuse, or alternative water supply system, sanitary sewer system, and storm drainage system; an electric system, telecommunications system, and gas system; signage, landscaping, and hardscaping; and a public amenity or public area, such as a plaza, park, or trail.[258]
>
> "Qualified convention center facility" has been limited to mean a facility that has been or will be constructed and that:
>
> 1) is primarily used to host conventions or meetings;
> 2) is wholly owned by a municipality to which this subchapter applies, and none of which is or may be owned through an undivided common interest;
> 3) is connected to a qualified hotel or has an exterior wall that is located not more than 1,000 feet from the nearest exterior wall of a qualified hotel;
> 4) is not located in a hotel, sports stadium, or other structure but may share common infrastructure or facilities with a hotel, such as a heating, ventilation, and air-conditioning system, electrical system, or kitchen;
> 5) has at least 10,000 square feet of continuous meeting space; and
> 6) is configurable to simultaneously accommodate multiple events of different sizes and types.[259]
>
> "Qualified hotel" means a hotel that is designated by a municipality as the hotel that is part of a qualified project. A qualified hotel:
>
> 1) must be located on land owned by the designating municipality;
> 2) must be connected to a qualified convention center facility or have an exterior wall that is located not more than 1,000 feet from the nearest exterior wall of the qualified convention center facility; and
> 3) may consist of two or more towers in limited circumstances.[260]
>
> "Qualified project" means a project to acquire, construct, repair, remodel, expand, or equip a qualified convention center facility; or acquire, lease, construct, repair, remodel, expand, or equip a qualified hotel; and that may include acquiring, leasing, constructing, repairing, remodeling, expanding, or equipping a restaurant, bar, retail establishment, or spa located in a qualified convention center facility or qualified hotel or connected to a qualified convention center facility or qualified hotel; or a parking area or structure, the nearest property line of which is located not

[256] § 351.151(4).
[257] www.census.gov/eos/www/naics/2017NAICS/2017_NAICS_Manual.pdf
[258] § 351.151.
[259] *Id.*
[260] *Id.*

> more than 1,000 feet from the nearest property line of a qualified convention center facility or qualified hotel; acquiring, constructing, repairing, remodeling, or expanding infrastructure that is directly related to and necessary for the qualified convention center facility or qualified hotel; and is located within the property lines of the qualified convention center facility or qualified hotel, or not more than 1,000 feet from the nearest property line of the facility or hotel; or acquiring a property right, including a fee simple interest, easement, or other interest in connection with a purpose described by this subdivision.[261]
>
> Finally, the Legislature limited cities with a population of less than 175,000 to one qualified hotel project in perpetuity.[262]

In most instances, only the state and local tax revenue collected from that particular hotel project, for a period of up to ten years, may be pledged.[263] Additionally, for up to ten years, an eligible municipality, county, or other authorized political subdivision may agree to rebate, refund, or pay eligible tax proceeds to the owner of the hotel project. Eligible tax proceeds include state and local hotel occupancy tax revenues, local ad valorem tax revenues, state and local sales and use tax revenues, and local mixed beverage tax revenues.[264]

Cities authorized to participate in the QHP program: Abilene, Allen, Alvin, Amarillo, Arlington, Austin, Bastrop, Baytown, Beaumont, Brownsville, Carthage, Cedar Hill, Cedar Park, Celina, Commerce, Conroe, Corpus Christi, Dallas, Denton, Eagle Pass, El Paso, Fort Worth, Fredericksburg, Frisco, Grand Prairie, Grapevine, Houston, Hutto, Irving, Katy, Kaufman, Kemah, Kerrville, Kyle, League City, Leander, Lewisville, Little Elm, Lubbock, Mansfield, McKinney, Mesquite, Midland, Missouri City, Nacogdoches, Odessa, Pearland, Port Aransas, Presidio, Prosper, Richmond, Rio Grande City, Roanoke, Rosenberg, Round Rock, Rowlett, San Antonio, San Benito, Seabrook, Seguin, Sugar Land, Temple, Terrell, The Colony, Tyler, Victoria, Waco, Weatherford, and Webster.[265]

Arlington, Dallas, Fort Worth, Houston and Kemah also fall under the statutory definition of an "eligible central municipality."[266] The "eligible central municipality" language in the Tax Code is antiquated, but it is still valid law.[267] Eligible central municipalities qualify for the same type of state tax revenue entitlements as other QHP cities.

Arlington has special authority for the pledge or commitment of certain tax revenue for a unique project associated with stadiums and may receive its state tax revenue entitlements for 30 years. Arlington also receives state mixed beverage sales tax revenue entitlements.[268]

Amarillo is a city with a population of 173,000 or more, and it is located within two counties, and also has

---

[261] *Id.*
[262] § 351.155(d).
[263] §§ 351.102(c), 151.429(h); Gov't Code § 2303.5055.
[264] *Id.*
[265] §§ 351.102(e), 351.152.
[266] § 351.001(7).
[267] See § 13, Act of June 14, 2019, 86th Leg., R.S., H.B. 4347, stating: "The changes in law made by this Act do not affect the validity of a bond, other obligation, or contractual obligation for which revenue was pledged or committed under Section 351.102, Tax Code, before the effective date of this Act. Bonds, other obligations, or contractual obligations for which revenue was pledged or committed before the effective date of this Act are governed by the law in effect when the revenue was pledged or committed, and that law is continued in effect for purposes of the validity of those bonds, obligations, and contractual obligations."
[268] § 351.1022.

similar authority as eligible central municipalities.[269] However, Amarillo may not pledge tax revenue to the QHP any earlier than either: the 20th anniversary of the date the city first pledged revenue to the project, or the date the revenue project equals 40 percent of the hotel project's total construction cost.[270]

Fredericksburg, McKinney, and San Antonio have special authority that provides that the qualified hotel project does not have to be owned by or located on land owned by the municipality or by a nonprofit corporation acting on behalf of an eligible central municipality.[271]

In the 2021 session, the City of Grand Prairie benefited from clarifying legislation, allowing that City's QHP to be constructed on land owned by the federal government.[272] Grand Prairie's proposed QHP will be constructed on lakeshore property owned by the U.S. Army Corps of Engineers.

"QHP Zone" Entitlements:
A number of cities obtained special authority allowing the city to receive an additional state sales tax revenue entitlement from qualified establishments if the establishment is located on city-owned land that is within the 1,000 foot zone of the qualified hotel project or the qualified convention center.[273] The following cities are eligible to receive this QHP zone state tax revenue entitlement: Allen, Brownsville, Cedar Hill, Celina, Denton, El Paso, Grand Prairie, Irving, Katy, Little Elm, Lubbock, Mansfield, McKinney, Mesquite, Richmond, Round Rock, San Benito, Seabrook, Victoria, Weatherford, San Antonio, and The Colony..[274]

Minimum threshold for advertising and promotion funding:
Cities that undertake a QHP and receive a state tax revenue entitlement must allocate a minimum threshold of hotel occupancy tax funding for advertising and promotion of tourism and hotel activity under § 351.101(a)(3).[275] Specifically, these cities may not allocate hotel occupancy tax revenue funding under § 351.101(a)(3) to a percentage that is less than the average percentage of that revenue allocated by the municipality for that purpose during the 36-month period preceding the date the municipality begins using hotel occupancy tax revenues for the hotel project.[276] Additionally, Lubbock's authorization requires the City to increase the amount it spends on marketing sports events and activity by an additional 3% beyond what the City is expending on that purpose under its 2016 fiscal year budget once it exercises its QHP state revenue entitlement authority.[277]

State tax revenue recapture and annual reports:
The QHP program has long been considered an economic development tool whereby the State of Texas invests state tax revenue for the initial 10-year period of the QHP's operation. In return, the state and local community benefit from long-term tax revenues produced by the QHP in the years after the initial 10-year state tax revenue entitlement period ends.

[269] § 351.102(b).
[270] § 351.102(b-1).
[271] § 351.153(a).
[272] § 351.157(a)(1)(B).
[273] § 351.157(a).
[274] 351.157(b).
[275] § 351.102(d).
[276] *Id.*
[277] § 351.1064.

In the 2023 Legislative Session, the Legislature added a provision to the QHP statutes that creates a mechanism for the of "recapture of lost state tax revenue from certain municipalities."[278] For qualified hotel projects that are first commenced on or after January 1, 2024, the Texas Comptroller will conduct an analysis on the 20th anniversary of the QHP's opening and determine whether the State of Texas has recouped the State's investment of state tax revenues.[279] In this analysis, the Comptroller will compare the state tax revenue entitlements given to the municipality in the first 10 year period of the QHP's operation (years 1-10) with the state tax revenue retained by the state in the second 10 year period of the QHP's operation (years 11-20).[280] If the state gave more state tax revenue to the municipality in the first 10 year period than the state retained in the second ten year period, the municipality must pledge local hotel tax revenue from the qualified hotel project to the State of Texas until the State has been made whole.[281]

Additionally, every other year, the Comptroller will prepare a report on the status of each qualified hotel project.[282] This report will cover the current status of each QHP, the number of facilities included within each project, the amount of state tax revenue entitlements that have been given to each municipality, the amount of state tax revenue generated by the project after the period of entitlement has ended, and whether the municipality is required to remit recapture payments to the State.[283] This report will be posted online on the Comptroller's website.[284]

Additional Information

If a city or funded entity has additional questions about the administration or use of the hotel occupancy tax, it is welcome to contact the Texas Hotel & Lodging Association for assistance by phone at (512) 474-2996. THLA has sample documents available to assist in administering hotel occupancy taxes, such as funding grant application forms, post event forms, and tax collection guidelines.

[278] *See* SB 1420, HB 3727, and HB 5012, 2023 Regular Legislative Session.
[279] Tax Code § 351.162.
[280] *Id.*
[281] *Id.*
[282] § 351.163.
[283] *Id.*
[284] *Id.*

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STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a resolution casting a ballot for places 11-14 on the Board of Trustees for the Texas Municipal League Intergovernmental Risk Pool.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
David Kees, Assistant to the City Manager

BACKGROUND/HISTORY:
TML has provided the City with the official ballot for places 11-14 to serve six-year terms on the Board of Trustees for the Texas Municipal League Intergovernmental Risk Pool. The ballot is due by September 30, 2024.

POLICY EXPLANATION:
The Council may vote for the nominees listed on the official ballot. Each place also has an option for the Council to submit a write-in candidate.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	Purchase Amount	After Encumber
N/A	N/A	N/A

ACTION ALTERNATIVES:
1. Do not submit ballot.
2. Other actions as directed by Council.

ATTACHMENTS:
Resolution No. - 2024-330 - TML Risk Pool Board of Trustees

RESOLUTION NO. 2024-330

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, CASTING A BALLOT FOR THE ELECTION OF PLACES 11-14 OF THE BOARD OF TRUSTEES FOR THE TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL; AUTHORIZING THE CITY MANAGER TO SIGN AND SUBMIT THE BALLOT; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the members of the Board of Trustees for the Texas Municipal League Intergovernmental Risk Pool serve six-year terms; and,

WHEREAS, TML has provided the City with an official ballot for places 11-14; and,

WHEREAS, it is the desire of the City Council to cast its vote for places 11-14;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The Duncanville City Council hereby casts its ballot for _____ to serve a six-year term on the Board of Trustees, Place 11, for the Texas Municipal League Intergovernmental Risk Pool.

SECTION 2. The Duncanville City Council hereby casts its ballot for _____ to serve a six-year term on the Board of Trustees, Place 12, for the Texas Municipal League Intergovernmental Risk Pool.

SECTION 3. The Duncanville City Council hereby casts its ballot for _____ to serve a six-year term on the Board of Trustees, Place 13, for the Texas Municipal League Intergovernmental Risk Pool.

SECTION 4. The Duncanville City Council hereby casts its ballot for _____ to serve a six-year term on the Board of Trustees, Place 14, for the Texas Municipal League Intergovernmental Risk Pool.

SECTION 5. The City Manager is hereby authorized to sign the ballot, attached hereto as "Exhibit A," and submit it on behalf of the City. This resolution shall take effect immediately upon passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

Exhibit A

OFFICIAL BALLOT

Texas Municipal League Intergovernmental Risk Pool
Board of Trustees Election

This is the official ballot for the election of Places 11 – 14 of the Board of Trustees for the Texas Municipal League Intergovernmental Risk Pool. Each Member of the Pool is entitled to vote for Board of Trustee members. Please record your organization's choices by placing an "X" in the square beside the candidate's name or writing in the name of an eligible person in the space provided. You can only vote for one candidate for each place.

The officials listed on this ballot have been nominated to serve a six-year term on the TML Intergovernmental Risk Pool (Workers' Compensation, Property and Liability) Board of Trustees. The names of the candidates for each Place on the Board of Trustees are listed in alphabetical order on this ballot.

Ballots must reach the office of David Reagan, Secretary of the Board, no later than September 30, 2024. Ballots received after September 30, 2024, cannot be counted. **The ballot must be properly signed, and all pages of the ballot must be mailed to: Trustee Election, David Reagan, Secretary of the Board, P.O. Box 149194, Austin, Texas 78714-9194. If the ballot is not signed, it will not be counted.**

Exhibit A

PLACE 11

☐ **Randy Criswell.** (Incumbent) Randy Criswell is currently the City Manager of Wolfforth (Region 3), a position he's held since 2022. He has served on the TML Risk Pool Board of Trustees since 2015 and as Chair of the Board from 2020 to 2022. He has been in public service since 1994, having served the City of Canyon in three administrative roles including City Manager, the City of Mineral Wells as City Manager, and his current position. Mr. Criswell has a Bachelor of Science Degree from Texas Tech University in Engineering Technology and is a Certified Public Manager. He is a member of TCMA and a past member of the TCMA Board of Directors. He and his wife Janie have three grown children, and he enjoys golf, his Harley Davidson motorcycle, and spending time with Janie.

☐ **Robert S. Davis**. Robert Davis serves as the City Attorney for the City of Bullard (Region 15). He is a Senior Partner at Flowers Davis PLLC in Tyler and oversees the Business and Commercial Litigation, Insurance Defense, Defense of Governmental Entities, Employment Law, and Medical Liability Sections of the law firm. Mr. Davis has extensive experience in representing governmental entities and government officials in all types of litigation. He also has extensive experience in litigation for major insurance carriers and drafting coverage opinions for insurance carriers. Through the years, he has written many papers for and made numerous presentations to Texas Sheriff's Association, Texas Association of Counties, Texas Jail Association, and Texas Chief Deputies' Association.

WRITE IN CANDIDATE:

_____

Exhibit A

PLACE 12

☐ **Cedric Davis, Sr.** Cedric Davis is the City Manager of the City of Mathis (Region 11). He joined the city's administration team on January3, 2024, and has more than three decades of experience as a public servant. He served as the City Manager of Mathis for over four years, and is a former Chief of Police and Public Educator. He is a graduate of Law Enforcement Management Institute of Texas and the Advanced Military Academy of Texas. He has a Bachelor of Science degree in Criminal Justice Administration from Sam Houston State University. He is a licensed Master Peace Officer, Police Instructor, Investigator, and holds certifications in Public Management, Smart City Practitioner, and Public Finance Investment Officer. In 2008 he served as Mayor of Balch Springs.

☐ **Rocky Hawkins.** Rocky Hawkins is a Councilmember for the City of Gladewater (Region 15), and served as such for four years. He has also served on the Gladewater Lake Board for 10 years, as a Chamber of Commerce Volunteer, as a member of the "Friends of the Library" at the Lee-Bardwell Public Library in Gladewater, and on various boards and committees at First Baptist Church for 30 years. Mr. Hawkins began his career with a brief stint as a Parole Officer for Gregg County; later spent almost 15 years in the Hospitality/Restaurant Business; and finished his career with 30 years at Eastman Chemical Co. He holds an associate's degree in business management from Kilgore College and a B.S. degree in Criminal Justice from Sam Houston State University.

☐ **Allison Heyward.** (Incumbent) Allison Heyward has served as Councilmember for the City of Schertz (Region 7) since 2018. She also serves on the TML Board of Directors and is currently the TML President Elect. She previously served in 2022 on the TMLIRP Board as the TML Board representative. In January 2023, she was appointed to Place 12 on the TMLIRP Board to fill a vacancy. She holds a Bachelor's Degree in Accounting from Texas Southern University, and is a 2020 graduate of the Chamber Leadership Core Program. Mrs. Heyward is also a TML Leadership Fellow and a Certified Municipal Officer (CMO), having received the TMLI CMO (Certified Municipal Official Designation) Award of Excellence for maintaining the designation for 5 continuous years. She has also been recognized with the President's Award for being one of the top 2 highest earners of Continuing Education Units.

☐ **Rudy Zepeda.** Rudy Zepeda has served as the Finance Director for the City of Santa Fe (Region 14) since 2021. Before joining Santa Fe, Mr. Zepeda served eight years in Dayton, Texas, as Assistant City Manager and Finance Director. He holds a degree in Classics from the University of Arizona and certification in Certified Public Management from Stephen F. Austin University. While Finance Director in Santa Fe, the city earned the Government Finance Officers Association (GFOA) Budget Presentation Award and the Excellence in Financial Reporting award. This year, the city was recognized by the State Comptroller's Office with its Traditional Finances Star Award. Mr. Zepeda's career spans 30 years, with significant experience in both public and private sectors, including 14 years in local government.

WRITE IN CANDIDATE:

_____

Exhibit A

PLACE 13

☐ **Harlan Jefferson.** (Incumbent) Deputy City Manager for the City of Burleson (Region 13). Mr. Jefferson has been in public service for 41 years, serving as a Risk Manager for the City of Denton early in his career and serving as Town Manager for Flower Mound and Prosper, Texas. Mr. Jefferson is an active member of the Texas City Management Association (TCMA), having served on its Board of Directors and is a Past President of the North Texas City Manager Association. He holds a Bachelor of Arts in Political Science and a Master of Public Administration from the University of North Texas. Additionally, he is an Adjunct Faculty member in the Master of Public Administration Program at the University of North Texas.

☐ **James Quin.** City Administrator for the City of Hutchins (Region 13) since March 2022. He served as City Administrator of Haslet for 8 years and City Manager for Richland Hills for 16 years. Mr. Quin earned a Bachelor of Science Education degree and a Master of Public Administration degree from Missouri State University. He is a member of the International City/County Management Association (ICMA) and maintains the ICMA Credentialed Manager (CM) designation. In April 2022, he was awarded the High Performance Leadership Academy Certificate issued by ICMA Professional Development Academy. Also, he is a full member of TCMA, and previously served on the HCA Medical City Alliance Hospital Board for 6 years.

WRITE IN CANDIDATE:

_____

Exhibit A

PLACE 14

☐ **Mike Land** (Incumbent) City Manager for the City of Coppell (Region 13) since 2017, and Deputy City Manager from 2012-2017. Previously, he was Town Manager for Prosper, City Manager for Gainesville, and Executive Director for the Southwestern Diabetic Foundation. Mr. Land serves on the International City/County Management (ICMA) Board of Directors and is the 2024-25 ICMA President-Elect. Additionally, he serves on the Texas Women's Leadership Institute Advisory Board, the Texas A&M University's Development Industry Advisory Council, and the UTA MPA Advisory Board. He has also served as School Board Trustee for Gainesville Independent School District and as President of TCMA.

WRITE IN CANDIDATE:

_____

Exhibit A

Certificate

I certify that the vote cast above has been cast in accordance with the will of the majority of the governing body of the public entity named below.

Witness my hand, this _____ day of _____, 2024.

_____ _____

Signature of Authorized Official Title

_____

Printed Name of Authorized Official

_____

Printed Name of Political Entity

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider a resolution nominating up to five candidates for election to the Board of Directors of Dallas Central Appraisal District.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
David Kees, Assistant to the City Manager

BACKGROUND/HISTORY:
Dallas Central Appraisal District has requested that the City nominate up to five individuals to serve on their Board of Directors. Nominees are due by October 15, 2024.

POLICY EXPLANATION:
The Council may submit up to five nominations.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:
1. Do not submit nominations.
2. Other actions as directed by Council.

ATTACHMENTS:
Resolution No. - 2024-331 - DCAD Board of Directors
Dallas CAD Board Election Appointment Emails

RESOLUTION NO. 2024-331

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, NOMINATING CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS OF DALLAS CENTRAL APPRAISAL DISTRICT; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Chief Appraiser of the Dallas Central Appraisal District has been charged with the responsibility of conduction the election process to determine the membership of the Board of Directors of the Dallas Central Appraisal District, according to the Property Tax Code of Texas; and,

WHEREAS, Texas Property Tax Code Sections 6.03(e) and 6.03(g) provides that each taxing unit entitled to vote may nominate by resolution up to five (5) candidates to become a member of the Board of Directors to be submitted to the Chief Appraiser before October 15, 2024

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. The City Council of the City of Duncanville does hereby nominate the following persons as a candidate for election to the Board of Directors of the Dallas Central Appraisal District:

1.
2.
3.
4.
5.

SECTION 2. That this Resolution shall become effective immediately from and after its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

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Robert E. Hager, City Attorney

Dallas Central
Appraisal District

Date: August 23, 2024

To: Greg Contreras, Mayor, City of Duncanville | greg.contreras@duncanvilletx.gov
Sent Via Email

From: Shane Docherty, Executive Director/Chief Appraiser

Re: Election/Appointment of Members to Board of Directors of the Dallas Central Appraisal District

Number of Votes Allocated To: Duncanville is 15

Senate Bill 2 (or "SB 2"), enacted by the 88th Texas Legislature during its Second Called Session, amended several sections of the Texas Property Tax Code regarding the composition of the board of directors for appraisal districts in counties with a population of 75,000 or more (a "populous county"). Dallas County is a 'populous county'. Specifically, Article V, Section 5.03 of SB 2 added Section 6.0301 to the Tax Code that sets forth the amendments relating to the composition and method of selection of appraisal district boards of directors in populous counties. Article V of SB 2 will became effective July 1, 2024, and Sections 5.04 and 5.13 of SB 2 became effective on October 12, 2023.

Section 6.0301 of the Texas Property Tax Code provides that an appraisal district in a populous county shall be governed by a board of nine (9) directors composed of both appointed and elected directors. Five (5) of the directors are to be appointed by the taxing units that participate in the district in the manner as previously prescribed by Section 6.03 of the Tax Code (the "levy method"), and three (3) directors are to be elected by majority vote at the general election for state and county officers by the voters of the county in which the district is established. The County tax assessor-collector serves as a voting ex office member.

SB 2 required the first election for elected directors for districts within populous counties be held on the uniform election date in May 2024. The three (3) additional Board members were elected as a result of the May 4, 2024 election, became a part of the Dallas CAD Board of Directors and the Dallas County Tax Assessor/Collector became a voting ex officio member effective July 1, 2024.

Prior to 2024 and pursuant to the provisions of the Texas Property Tax Code in 1979, the agencies of Greater Dallas County agreed to change the manner in which board representatives were chosen. *By special provision of the Property Tax Code, it was decided that the City of Dallas , Dallas ISD and Dallas County would each appoint one (1) member each and the remaining two (2) candidates would be elected by all Suburban Cities (excluding Dallas) and all Suburban School Districts (excluding Dallas ISD). Each group, Suburban Cities and Suburban Schools, could nominate one candidate for their respective group and vote from among the nominations to elect by majority vote (one vote per entity) one (1) member to represent the Suburban Cities and one (1) member to represent the Suburban School Districts*. This method of appointment and election of the Board members no longer applies with the passage of Senate Bill 2.

Effective January 1, 2025, the five (5) appointed board of directors will be elected according to Tax Code Section 6.03, or the "Levy Method". The voting entitlement of a taxing unit that is entitled to vote for directors is determined by dividing the total dollar amount of property taxes imposed in the district by the taxing unit for the preceding tax year by the sum of the total dollar amount of property taxes imposed in the district for that year by each taxing unit that is entitled to vote, by multiplying the quotient by 1,000, and by rounding the product to the nearest whole number. That number is multiplied by the number of directorships to be filled. There are 5,000 total votes to be allocated based on each taxing unit's tax levy as compared to the total levy for all taxing units. Each taxing unit eligible to vote and participate in the appointment process may nominate up to five candidates for the Dallas CAD Board of Directors.

The five directors appointed by the taxing units serve staggered four-year terms beginning on January 1st of every other even-numbered year. To provide for the transition for the staggered terms, two (2) directors must be appointed to serve a term of one year, and three (3) directors shall be appointed to serve a term of three years. Thereafter, all appointed directors serve four-year terms. Following the election the Chief Appraiser in conjunction with the elected directors will draw lots to determine which two (2) directors serve a term of one year.

The first step in this process is for the Chief Appraiser to calculate the voting entitlement of each taxing unit that is entitled to vote and notify the county judge and each county commissioner, the presiding officer of each city/town, city manager or city secretary, the presiding officer of each school district and the school district superintendent, the presiding officer of the college district, the college president, chancellor or other chief executive officer of the college district. In addition to your taxing unit's votes being provided in the Subject line of this memo, I have included an attachment showing the number of votes for each county, city, school district and college district that is entitled to vote.

The **next step** is the nomination of the candidates. A taxing unit is not required to submit nominations, but if it chooses to do so, **the nomination may be made only by a resolution** adopted by the governing body and submitted to the Chief Appraiser **before October 15, 2024**. For your convenience, a sample resolution for nomination is included with this notification. Please include the full name and address of each candidate nominated in the resolution.

You may provide each individual you are considering for nomination with a copy of the attached Nominee Information Questionnaire for them to complete. The Questionnaire will provide information to the taxing unit and help ensure the nominees meet the eligibility requirements for a Board of Director position. The nominated candidate needs to submit a biography or resume to be used by the other taxing entities in determining and casting their votes on the ballot.

The Chief Appraiser will, before October 30, prepare and submit a ballot of the timely submitted nominees to each taxing unit that is eligible to vote. The governing body of each taxing unit entitled to vote shall submit a resolution casting its votes to the Chief Appraiser before December 15 (since December 15 is a Sunday the due date is extended to the next day that is not a Saturday, Sunday or holiday) The governing body of the taxing unit entitled to vote may cast all of its votes for one candidate or distribute them among the candidates for any number of the director positions. The Chief Appraiser will then count the votes and declare the five candidates who received the largest cumulative votes as elected and submit the results before December 31, 2024 to each of the taxing unit and to the candidates.

Below is the calendar for the appointment process as prescribed by Texas Property Tax Code Section 6.03.

> Before October 1: In accordance with Texas Property Tax Code Section 6.03(d) and (e), the chief appraiser shall calculate the number of votes to which each taxing unit other than a conservation and

reclamation district [i.e. special district] is entitled and shall deliver written notice to each of those units of its voting entitlement before October 1, 2024 (normally of each odd-number year).

Before October 15: In accordance the Texas Property Tax Code Section 6.03 (g) each taxing unit entitled to vote shall submit a resolution for the nominees for the board positions.

Before October 30: In accordance with Texas Property Tax Code Section 6.03 (j) the Chief Appraiser shall prepare a ballot listing the nominated candidates and deliver the ballot to the taxing units eligible to vote.
Before December 15 (since December 15 is a Sunday this due date is the next day that is not Saturday, Sunday or a holiday): In accordance with Texas Property Tax Code Section 6.03 (k) each taxing unit that is entitled to vote shall determine its vote by resolution and submit the same to the Chief Appraiser.

Before December 31: In accordance with Texas Property Tax Code Section 6.03 (k) the Chief Appraiser will count the votes, declare the five candidates who received the largest cumulative vote totals elected, and submit the results to each taxing unit in the District and to the candidates.

For your convenience the qualifications to be an appointed member are resident of Dallas County and shall have resided in Dallas County for at least two years prior to the date such person takes office (January 1, 2025) and must satisfy the following:

Section 6.035 of the Tax Code provides that an individual is ineligible to serve on an appraisal district board of directors and is disqualified from employment as chief appraiser if the individual is related within the second degree by consanguinity (blood) or affinity (marriage), as determined under Chapter 573, Government Code, to an individual who is engaged in the business of appraising property for compensation for use in proceedings under this title or of representing property owners for compensation in proceedings under this title in the appraisal district.

Similarly, an individual is ineligible to serve on an appraisal district board of directors and is disqualified from employment as chief appraiser if the individual owns property on which delinquent taxes have been owed to a taxing unit for more than 60 days after the date the individual knew or should have known of the delinquency unless: (A) the delinquent taxes and any penalties and interest are being paid under an installment payment agreement under Section 33.02 of the Tax Code; or (B) a suit to collect the delinquent taxes is deferred or abated under Sections 33.06 or 33.065 of the Tax Code.

Per Section 6.035 of the Tax Code, an individual is also ineligible to serve on the board of directors of an appraisal district if the individual:

(1) has served as a member of the board of directors for all or part of five terms, unless:
(A) the individual was the county assessor-collector at the time the individual served as a board member; or
(B) the appraisal district is established in a county with a population of less than 120,000;
(2) has engaged in the business of appraising property for compensation for use in proceedings under this title at any time during the preceding three years;
(3) has engaged in the business of representing property owners for compensation in proceedings under this title in the appraisal district at any time during the preceding three years; or
(4) has been an employee of the appraisal district at any time during the preceding three years.

An individual who is otherwise eligible to serve on the board is not ineligible because of membership on the governing body of a taxing unit. An employee of a taxing unit that participates in the district is not eligible to serve on the board unless the individual is also a member of the governing body or an elected official of a taxing unit that participates in the district. (Section 6.0301, Tax Code).

An individual is not eligible to be a candidate for, to be appointed to, or to serve on the board of directors of an appraisal district if the individual or a business entity in which the individual has a substantial interest is a party to a contract with 1) the appraisal district; or 2) a taxing unit that participates in the appraisal district, if the contract relates to the performance of an activity governed by Title 1 of the Tax Code. (Section 6.036(a), Tax Code, effective July 1, 2024.)

If you have any questions about this process, please contact Deputy Chief Appraiser, Cheryl Jordan, her direct line, 214-819-2312, or the District's main number, 214-631-0520.

Enclosure/Attachment: Sample Nomination Resolution; Nominee Questionnaire; Voting Entitlement List

RESOLUTION NO. ____

A RESOLUTION OF THE {insert governing body e.g., city council, school board, commissioners} **OF THE** {insert name of jurisdiction} **NOMINATING CANDIDATES FOR ELECTION TO THE BOARD OF DIRECTORS OF DALLAS CENTRAL APPRAISAL DISTRICT; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the Chief Appraiser of the Dallas Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Dallas Central Appraisal District, according to the Property Tax Code of Texas; and

WHEREAS, Texas Property Tax Code Sections 6.03(e) and 6.03(g) provides that each taxing unit entitled to vote may nominate by resolution up to five (5) candidates to become a member of the Board of Directors to be submitted to the Chief Appraiser before October 15, 2024;

NOW, THEREFORE, BE IT RESOLVED BY THE {insert governing body e.g., city council, school board, commissioner} **OF THE** {insert name of jurisdiction}:

SECTION 1. That the {insert governing body e.g., city council, school board, commissioner} of {inset name of the jurisdiction}, does hereby nominates the following persons as a candidate for election to the Board of Directors of the Dallas Central Appraisal District:

1.
2.
3.
4.
5.

SECTION 2. That this Resolution shall become effective immediately from and after its passage.

DULY RESOLVED AND ADOPTED by the {insert the name of the governing body} of the {insert the name of the jurisdiction}, on this the ____ day of _____, 2024.

NAME OF JURISDICTION

_____
MAYOR/PRESIDENT/COUNTY JUDGE

ATTEST:

_____

Nominee Information Questionnaire
Dallas Central Appraisal District Board of Directors

Your name has been submitted by a Dallas Central Appraisal District Taxing Unit as a candidate for the Dallas CAD Board of Directors. Please provide the following information and feel free to attach any additional information. **The form must be returned by October 15, 2024.**

_____
Name

_____
Home Address/City/Zip

_____ _____
Cell Phone E-mail

1. Are you a resident of Dallas County? **Yes/No**
   a. If yes, have you resided in Dallas County for at least two years immediately preceding the beginning of this term (January 1, 2025)?

2. Are you an elected official or member of a governing body of a taxing unit in Dallas County? **Yes/No**
   a. If yes, which taxing unit? _____

3. Are you, or have you ever been, an employee of a taxing unit (County, City, School, Special District) in Dallas County? **Yes/No**
   a. If yes, which taxing unit? _____
   b. When? _____

4. Are you related to an individual who is engaged in the business of appraising property for compensation for use in proceedings under the Texas Property Tax Code? **Yes/No**
   a. If yes, please list the degree of relation. _____

5. Do you currently own property on which delinquent taxes have been owed to a taxing unit for more than 60 days or are part of a suit to collect the delinquent taxes that have been deferred or abated? **Yes/No**

6. Are you currently, or have you ever served as a voting member of the Dallas CAD Board of Directors? **Yes/No**
   If yes, what years have you served? _____

7. Have you engaged in the business of appraising property for compensation for use in proceedings under the Property Tax Code during the last three years? **Yes/No**

8. Have you ever been engaged in the business of representing property owners for compensation in the **Yes/No**

proceedings under the Property Tax Code in Dallas County in the last three years?

9. Are you, or have you ever been an employee of Dallas CAD? **Yes/No**
   a. If yes, year(s) you were employed? _____

10. Do you directly or through a business entity have substantial interest in a contract with Dallas CAD or a taxing unit that participates in the District? **Yes/No**
    a. If yes, please list: _____

11. Please give a brief statement on why you would be interested in serving on the Dallas Central Appraisal District Board of Directors.

_____

_____

_____

_____

_____

12. Please list any additional information you believe would be beneficial for the Dallas County Taxing Units to know about you.

_____

_____

_____

_____

_____

Return to: Your Nominating Taxing Unit or
Cheryl Jordan - Dallas Central Appraisal District
2949 N. Stemmons Freeeway
Dallas, TX 75247
DcadElections@dcad.org

Dallas Central Appraisal District 2024 Calculation of Taxing Unit Votes for Board of Directors Per Texas Property Tax Code Section 6.03(d)

SUPPLEMENTAL #09-2023 EVR DATED 09/13/2023 FOR TAX YEAR 2023 FOR ALL ENTITIES

ENTITY	2023 Taxable Value As of *09-2023* Supplemental	2023 Tax Rate	2023 Estimated Taxes Imposed	Taxing Unit Percentage of Total Taxes Imposed	*1,000 Multiplier*	*Round*	*Multiply by Number of Directors (5)*	2024 Taxing Unit Voting Entitlement	Taxing Unit Percentage of Total Votes (Yellow Highlight ≥ 5%) TPTC 6.03(k-1)
COUNTYWIDE ENTITIES									
Dallas County	$379,938,404,211	0.215718	$819,595,527	10.68843%	*106.88432*	107	535	**535**	**11%**
Dallas College	390,920,370,020	0.110028	$430,121,865	5.60926%	*56.09265*	56	280	**280**	**6%**
GRAND TOTAL OF COUNTYWIDE	$770,858,774,231		$1,249,717,392	16.29770%	*162.97696*	163	815	815	
CITIES									
Addison	$6,166,137,691	0.609822	$37,602,464	0.49038%	*4.90378*	5	25	**25**	1%
Balch Springs	1,875,435,619	0.794629	$14,902,755	0.19435%	*1.94348*	2	10	**10**	0%
Carrollton	9,346,277,268	0.553750	$51,755,010	0.67494%	*6.74943*	7	35	**35**	1%
Cedar Hill	5,855,397,117	0.646525	$37,856,606	0.49369%	*4.93692*	5	25	**25**	1%
Cockrell Hill	209,369,894	0.772596	$1,617,583	0.02110%	*0.21095*	0	0	**0**	0%
Combine	26,022,434	0.350000	$91,079	0.00119%	*0.01188*	0	0	**0**	0%
Coppell	10,298,701,897	0.491818	$50,650,870	0.66054%	*6.60543*	7	35	**35**	1%
Dallas	188,701,821,976	0.735700	$1,388,279,304	18.10470%	*181.04697*	181	905	**905**	**18%**
DeSoto	7,189,656,103	0.685092	$49,255,759	0.64235%	*6.42350*	6	30	**30**	1%
Duncanville	3,634,349,125	0.646034	$23,479,131	0.30619%	*3.06194*	3	15	**15**	0%
Farmers Branch	9,407,424,339	0.569000	$53,528,244	0.69807%	*6.98067*	7	35	**35**	1%
Ferris	27,391,876	0.494700	$135,508	0.00177%	*0.01767*	0	0	**0**	0%
Garland	23,933,703,437	0.689746	$165,081,762	2.15285%	*21.52849*	22	110	**110**	2%
Glenn Heights	914,831,427	0.564729	$5,166,318	0.06737%	*0.67375*	1	5	**5**	0%
Grand Prairie	12,943,039,011	0.660000	$85,424,057	1.11402%	*11.14024*	11	55	**55**	1%
Grapevine	395,708,326	0.250560	$991,487	0.01293%	*0.12930*	0	0	**0**	0%
Highland Park	8,441,265,923	0.220530	$18,615,524	0.24277%	*2.42767*	2	10	**10**	0%
Hutchins	1,242,023,438	0.630082	$7,825,766	0.10206%	*1.02057*	1	5	**5**	0%
Irving	39,058,006,723	0.589100	$230,090,718	3.00064%	*30.00637*	30	150	**150**	3%
Lancaster	5,374,997,280	0.639004	$34,346,448	0.44792%	*4.47916*	4	20	**20**	0%
Lewisville	120,213,029	0.419079	$503,788	0.00657%	*0.06570*	0	0	**0**	0%
Mesquite	13,534,098,469	0.690000	$93,385,279	1.21785%	*12.17847*	12	60	**60**	1%
Ovilla	46,950,260	0.626213	$294,009	0.00383%	*0.03834*	0	0	**0**	0%
Richardson	14,077,745,835	0.560950	$78,969,115	1.02984%	*10.29845*	10	50	**50**	1%
Rowlett	7,278,645,314	0.710400	$51,707,496	0.67432%	*6.74323*	7	35	**35**	1%
Sachse	2,570,038,721	0.650416	$16,715,943	0.21799%	*2.17994*	2	10	**10**	0%
Seagoville	1,294,165,708	0.728004	$9,421,578	0.12287%	*1.22868*	1	5	**5**	0%
Sunnyvale	1,883,883,190	0.453000	$8,533,991	0.11129%	*1.11293*	1	5	**5**	0%
University Park	10,666,870,235	0.236226	$25,197,921	0.32861%	*3.28609*	3	15	**15**	0%
Wilmer	1,774,995,820	0.439130	$7,794,539	0.10165%	*1.01649*	1	5	**5**	0%
Wylie	204,246,408	0.538882	$1,100,647	0.01435%	*0.14354*	0	0	**0**	0%
GRAND TOTAL OF CITIES	$388,493,413,893		**$2,550,320,700**	33.25900%	*332.59002*	333	1655	1655	
SCHOOL DISTRICTS									
Carrollton-FB ISD	$25,342,800,795	0.983600	$249,271,789	3.25078%	*32.50780*	33	165	**165**	3%
Cedar Hill ISD	5,386,737,208	1.132600	$61,010,186	0.79564%	*7.95640*	8	40	**40**	1%
Coppell ISD	16,965,761,428	1.053500	$178,734,297	2.33089%	*23.30893*	23	115	**115**	2%
Dallas ISD	177,911,793,431	1.013835	$1,803,732,031	23.52266%	*235.22660*	235	1175	**1175**	**24%**
DeSoto ISD	4,721,801,802	1.072800	$50,655,490	0.66060%	*6.60604*	7	35	**35**	1%
Duncanville ISD	6,575,027,245	1.082800	$71,194,395	0.92845%	*9.28454*	9	45	**45**	1%
Ferris ISD	48,594,774	1.143100	$555,487	0.00724%	*0.07244*	0	0	**0**	0%
Garland ISD	29,273,671,591	1.053200	$308,310,309	4.02071%	*40.20707*	40	200	**200**	4%
Grand Prairie ISD	12,437,698,152	1.095050	$136,199,014	1.77619%	*17.76186*	18	90	**90**	2%
Grapevine-Colleyville ISD	436,706,741	0.924700	$4,038,227	0.05266%	*0.52663*	1	5	**5**	0%
Highland Park ISD	21,078,412,024	0.892700	$188,166,984	2.45391%	*24.53906*	25	125	**125**	3%
Irving ISD	20,526,676,400	1.028100	$211,034,760	2.75213%	*27.52127*	28	140	**140**	3%
Lancaster ISD	4,950,056,032	1.226700	$60,722,337	0.79189%	*7.91886*	8	40	**40**	1%
Mesquite ISD	13,175,640,868	1.099200	$144,826,644	1.88870%	*18.88700*	19	95	**95**	2%
Richardson ISD	32,914,760,066	1.143100	$376,248,622	4.90670%	*49.06698*	49	245	**245**	**5%**
Sunnyvale ISD	1,961,222,245	1.189200	$23,322,855	0.30416%	*3.04156*	3	15	**15**	0%
GRAND TOTAL OF ISD'S	$373,707,360,802		**$3,868,023,427**	50.44330%	*504.43302*	504	2530	2530	
GRAND TOTAL			**$7,668,061,518**	100.00000%	*1,000.00000*	1000	5000	5000	100%

Per TPTC 6.03 (k-1) TU with 5% or greater:
6.03(k-1) This subsection applies only to an appraisal district established in a county with a population of 120,000 or more. The governing body of **each taxing unit entitled to cast at least five percent of the total votes** must determine its vote by resolution adopted at the first or second open meeting of the governing body that is held after the date the chief appraiser delivers the ballot to the presiding officer of the governing body. The governing body must submit its vote to the chief appraiser not later than the third day following the date the resolution is adopted.

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider approving Resolution 2024-329 selecting _____ as the 2024 Hispanic Heritage Festival honoree for the City of Duncanville.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Re-Imagine: High Quality of Life**
  - **Develop, maintain, and encourage safe, attractive, viable family-oriented neighborhoods that embrace diversity and pride, promoting economic vitality.**

STAFF RESPONSIBLE:
Bart Stevenson, Director of Parks and Recreation

BACKGROUND/HISTORY:
The City of DeSoto will be hosting the inaugural Best Southwest Hispanic Heritage Festival on Saturday, September 21, 2024. DeSoto has requested each of the four cities select one resident as their Mr. or Ms. Hispanic Heritage Festival honoree. The four honorees will be provided VIP access to the event, and they will be recognized during the event.

POLICY EXPLANATION:
There are no policies related to this item.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:
Approve _____ as the 2024 Hispanic Heritage Festival honoree for the City of Duncanville.

ATTACHMENTS:
Resolution No. - 2024-329 - Mr Ms. Hispanic Heritage Festival - Pdf

RESOLUTION NO. 2024-329

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, SELECTING _____ AS THE 2024 MR./MS. HISPANIC HERITAGE FESTIVAL HONOREE FOR THE CITY OF DUNCNAVILLE; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Duncanville is a partner in the inaugural Best Southwest Hispanic Heritage Festival to be held on Saturday, September 21, 2024 in the City of DeSoto, Texas; and

WHEREAS, the City of DeSoto has requested each city recognize one resident from their community as Mr. or Ms. Hispanic Heritage Festival; and

WHEREAS, the City Council of the City of Duncanville, Texas is authorized to select the 2024 Mr./Ms. Hispanic Heritage Festival honoree.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS, THAT:

SECTION 1. _____ is hereby selected as the 2024 Best Southwest Hispanic Heritage Festival honoree for the City of Duncanville, Texas.

SECTION 2. this Resolution shall become effective immediately following passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____

Greg Contreras, Mayor

ATTEST:

_____

Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____

Robert E. Hager, City Attorney

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Consider an Ordinance amending the code of ordinances by amending chapter 12 'Miscellaneous Offenses and Provisions', Article XXVI 'Mobile Food Vendors and Mobile Vending Units', to allow for exemptions to commissary requirements for certain mobile food vendors.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

STAFF RESPONSIBLE:
David Kees, Assistant to the City Manager

BACKGROUND/HISTORY:
Council received a briefing at the September 3, 2024, regular Council meeting about creating exceptions to the commissary requirements for certain mobile food vendors, particularly those vendors that are engaged in the sale of frozen goods such as shaved ice. Councilmember Pennebaker requested the September 3rd briefing.

POLICY EXPLANATION:
Staff is now bringing an ordinance to Council for consideration. This ordinance would exempt certain vendors engaged in the sale of frozen food products from the commissary requirements in place for all mobile food vendors. Staff have received several concerns from vendors of frozen food that adhering to the commissary requirements is cost prohibitive. Currently, there is no commissary in Duncanville that these vendors can use in order to operate. This often requires the vendors to drive to Dallas or other locations to dump their waste and clean their mobile vending units. The concerns voiced by mobile vendors of frozen food is that the time and cost of doing this makes it difficult for them to operate in Duncanville. By exempting certain frozen food vendors from the commissary requirements, more frozen food vendors may be able to operate in Duncanville, including at city-sponsored special events.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
N/A	N/A	N/A

ACTION ALTERNATIVES:

1. Do not adopt the amended ordinance.
2. Other actions as directed by Council.

ATTACHMENTS:
Ordinance No. 2526 - Exemptions to Mobile Food Vendor Commissary Requirements

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS

ORDINANCE NO. 2526

AN ORDINANCE OF THE CITY OF DUNCANVILLE, TEXAS AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 12 'MISCELLANEOUS OFFENSES AND PROVISIONS', ARTICLE XXVI 'MOBILE FOOD VENDORS AND MOBILE VENDING UNITS', SECTION 12-292 'REQUIREMENTS APPLICABLE TO ALL MOBILE FOOD VENDORS', SUBSECTION (B), BY ADDING SUBSECTION B (1); PROVIDING FOR REGULATIONS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Duncanville desires to amend the regulations regarding mobile food vendors and specifically the regulations governing mobile food vendors who sell frozen food products; and

WHEREAS, the City Council of the City has determined that the adoption of this Ordinance best serves the general welfare of the City and its residents by amending regulations regarding the sale of frozen food products from mobile vending units to promote economic development and support small businesses, while still prioritizing the health, safety, and welfare of the public.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUNCANVILLE, TEXAS:

SECTION 1. That Chapter 12 "Miscellaneous Offenses and Provisions", Article XXVI "Mobile Food Vendors and Mobile Vending Units", Section 12-292 "Requirements Applicable to All Mobile Food Vendors", Subsection B of the Duncanville Code of Ordinances is hereby amended by adding Subsection B (1) to hereinafter read as follows:

"CHAPTER 12 – MISCELLANEOUS OFFENSES AND PROVISIONS

ARTICLE I. IN GENERAL

. . . . .

ARTICLE XXVI. MOBILE FOOD VENDORS AND MOBILE VENDING UNITS

Sec. 12-292. – Requirements applicable to all mobile food vendors

a) It shall be unlawful for any person to operate as a mobile food vendor within the jurisdictional limits of the city without a permit issued in accordance with this article.

b) A commissary is required for a mobile food vendor to operate within the jurisdictional limits of the city.

1. The following are exempt from these requirements:
    a. Mobile vendors selling prepackaged frozen novelty items such as ice cream bars, popsicles and any other types of frozen food.
    b. Mobile vendors selling frozen items such as shaved ice, Italian ice, snow cones, snow balls, and other products where the ingredients are limited to a combination of ice and a flavoring syrup or other mixture.

SECTION 2. That should any sentence, paragraph, subdivision, clause, phrase or section of this ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this ordinance as a whole, or any part or provision hereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Code of Ordinances as a whole.

SECTION 3. That all ordinances of the City of Duncanville, Texas in conflict with the provisions of this ordinance be and the same are hereby repealed and all other ordinances of the City of Duncanville, Texas not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 4. That an offense committed before the effective date of this ordinance is governed by the prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 5. That this ordinance shall take effect immediately upon adoption.

DULY PASSED by the City Council of the City of Duncanville, Texas, on the 17th day of September, 2024.

APPROVED:

_____
Greg Contreras, Mayor

ATTEST:

_____
Chiquita Taylor, City Secretary

APPROVED AS TO FORM:

_____
Robert E. Hager, City Attorney

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Receive a briefing on the Investment Policy.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Richard Jackson, Director of Fiscal Services

BACKGROUND/HISTORY:
The Investment Policy guides investments and internal controls surrounding investment activity. Our investment advisor, Valley View Investments, reviews our policy annually to ensure compliance with the Public Funds Investment Act (PFIA). The contract with Valley View Investments is renewed periodically by the City Council. The policy presented has been reviewed by Valley View and has no proposed changes. The policy was last reviewed and adopted by the City Council by Resolution 2023-049 on June 20, 2023.

POLICY EXPLANATION:
The investment policy is reviewed annually by the City's investment advisors and the City's certified investment officers for compliance with PFIA (Public Funds Investment Act) and any other process and wording changes. The Investment Policy is then presented to the City Council for review and approval. The City's authorized and trained (semi-annual PFIA training) investment officers are the Managing Director of Fiscal Services (Richard Jackson) and Assistant Director of Fiscal Services (Tia Pettis). Internal controls require all funds to be invested to be approved by the City Manager or his/her designee.

FUNDING SOURCE:

ORG and Object Number
n/a

Available Budget	**Purchase Amount**	**After Encumber**
n/a	n/a	n/a

ACTION ALTERNATIVES:
N/A

ATTACHMENTS:
FY 2024-25 Proposed Investment Policy - Pdf

DRAFT

CITY OF DUNCANVILLE, TEXAS

INVESTMENT POLICY

October 2024 - September 2025

Prepared by the Fiscal Services Department

DRAFT

CITY OF DUNCANVILLE, TEXAS
INVESTMENT POLICY

PREFACE

It is the policy of the City of Duncanville (the "City") that after allowing for the anticipated cash flow requirements of the City and giving due consideration to the safety and risks of investments, all available funds shall be invested in conformance with these legal and administrative guidelines to obtain a market rate of return.

Effective cash management is recognized as essential to good fiscal management. An active cash management and investment policy will be pursued to take advantage of investment interest as a viable and material source of revenue for City funds. The City's portfolio shall be designed and managed in a manner responsive to the public trust and shall be invested in conformance with State and Federal Regulations, applicable Bond Resolution requirements, and adopted Investment Policy. The City will invest public funds in a manner which will provide the safety of principal and a market rate of return while meeting the daily cash flow demands of the City.

The City is required under the Public Funds Investment Act (Chapter 2256 of the Texas Government Code [the "Act"]) to adopt a formal written Investment Policy for the investment of public funds. These policies serve to satisfy the statutory requirement to define, adopt and review a formal investment strategy and policy.

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CITY OF DUNCANVILLE
INVESTMENT POLICY

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Attachments:

A. Investment Strategy Statement
B. Authorized Broker/Dealers

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INVESTMENT POLICY

1. PURPOSE. The purpose of this investment policy (the Policy) is to set forth specific investment policy and strategy guidelines for the City in order to achieve the goals of safety, liquidity, rate of return, and public trust for all investment activities.

2. INVESTMENT STRATEGY. The City maintains a comprehensive and proactive cash management program which is designed to monitor and control all City funds to ensure maximum utilization and yield a market rate of return. The basic and underlying strategy of this program is that all of the City's funds are earning interest. It is the responsibility and obligation of the City to maintain a flexible approach and be prepared to modify the investment strategy as market conditions dictate. The investment strategy described is predicated on conditions as now exist and are subject to change. The investment strategy emphasizes low credit risk, diversification, and the management of maturities. The strategy also considers the expertise and time constraints of Investment Officers. The allowable investment instruments as defined in Section 6 of this Policy reflect the avoidance of credit risk. Diversification refers to dividing investments among a variety of alternatives offering independent returns. This strategy uses financial institution demand deposits, local government investment pools and money market mutual funds to achieve cash equivalent liquidity. The management of maturities refers to structuring the maturity dates of the direct investments so that, while funds are initially invested for a longer period of time, some investments mature as cash needs require.

2.1. **The primary investment strategy and objectives** of the City as specified in this Policy (See Section 4.) are listed below, in their order of importance:

- Safety and preservation of principal;
- Maintenance of sufficient liquidity to meet operating needs;
- A market rate of return on the investment portfolio; and
- Public trust.

2.2. **The list of investments authorized** by this Policy intentionally excludes some investments allowed by State law. The restrictions limit possible credit risk, increase individual security marketability, and provide the maximum measure of safety. Within the investment objectives, the investment strategy is to utilize authorized investments for maximum advantage to the City. To increase the interest earnings for funds identified as being available for investment over longer periods of time, based upon a cash requirement projection, the City will consider the following strategies:

2.2.1. **Strategy No. 1.** Maintaining liquidity through the use of financial institution deposits, local government investment pools and money market mutual funds as authorized by this Policy. An investment pool is an entity created to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority match those objectives of the Act. Funds are usually available from investment pools on a next-day basis, meaning the pools have a high degree of liquidity.

Because of the size and expertise of their staff, investment pools are able to prudently invest in a variety of the investment types allowed by State law. Funds that may be needed on a short-term basis but that are in excess of the amount maintained at the depository bank are available for deposit in investment pools.

2.2.2 **Strategy No. 2.** Building a ladder of Investment Policy authorized investments with staggered maturities for all or part of the longer-term investable funds. The benefits of this ladder approach include the following:

- It is straight-forward and easily understood;
- All investments remain within the approved maturity horizon;
- It will assure the City that it will capture a reasonable portion of the yield curve; and,
- It provides predictable cash flow with scheduled maturities and reinvestment opportunities.

2.2.3. **Strategy No. 3.** Utilizing the services of an independent, third-party investment advisor on a periodic basis that would enable the City to achieve a competitive rate of return on the funds available for longer-term investment.

2.2.4. **Strategy No. 4.** The City will utilize five general investment strategies designed to address the unique characteristics of specific fund-types (detailed strategies are presented in Attachment A):

- Investment strategies for operating funds and pooled funds containing operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio which will experience minimal volatility during economic cycles.
- Investment strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date(s).
- Investment strategies for debt service reserve funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund.
- Investment strategies for special projects and capital projects funds will have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity.
- The investment maturity of bond proceeds (excluding reserve and debt service funds) shall generally be limited to the anticipated cash flow requirement or the "temporary period," as defined by Federal tax law. During the temporary period, bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the funds and

market conditions to achieve compliance with the applicable regulations.

2.2.5. **Strategy No. 5 - Hold until Maturity.** The strategy of the City is to maintain sufficient liquidity in its portfolio so that it does not need to sell or redeem an investment prior to maturity. Should it become necessary to sell or redeem an investment prior to maturity, the prior written consent of the City Manager must be obtained.

2.2.6. **Strategy No. 6 - Pooling of Deposits and Investments.** Most demand deposits of the City will be concentrated with one central depository. This procedure will maximize the City's ability to pool cash for investment purposes and provide more manageable banking relationships.

2.2.7. **Strategy No. 7 - Depository Bank Relationships.** This Policy shall further seek to maintain good depository bank relationships while minimizing the cost of banking services. The City will seek to maintain a primary depository contract which will be managed to a level that minimizes the cost of the banking relationship to the City, while allowing the City to earn an appropriate return on idle demand deposits.

2.2.8. **Strategy No. 8 - Single Pooled Fund Group.** A single pooled fund group, as defined in this Policy, may be utilized at the discretion of the Investment Officers. However, earnings from investments will be allocated on a pro-rata cash basis to the individual funds and used in a manner that will best service the interests of the City.

2.2.9. **Strategy No. 9 - Maximizing investable Cash Balances.** Procedures shall be established and implemented in order to maximize investible cash by decreasing the time between the actual collection and the deposit of receipts, and by the controlling of disbursements.

3. SCOPE. The Investment Policy shall govern the investment of all financial assets considered to be part of the City and includes the following separately invested funds or fund types: General Fund, Utility Fund, Debt Service Fund, Capital Projects Fund, Self-Insurance Funds, Asset Forfeiture Fund, Special Revenue Funds, and any other funds which have been contractually delegated to the City for management purposes. The City may add or delete funds as may be required by law, or for proper accounting procedures. This Policy does not include funds governed by approved trust agreements, or assets administered for the benefit of the City by outside agencies under retirement or deferred compensation programs. In addition to this Policy, bond funds (including debt service and reserve funds) are governed by bond ordinances and are subject to the provisions of the Internal Revenue Code and applicable federal regulations governing the investment of bond proceeds.

4. INVESTMENT OBJECTIVES. Funds of the City shall be invested in accordance with all applicable Texas statutes, this Policy and any other approved, written

administrative procedures. The four objectives of the City's investment activities shall be as follows (in the order of priority):

4.1. **Safety of Principal.** Safety of principal invested is the foremost objective in the investment decisions of the City. Each investment transaction shall seek to ensure the preservation of capital in the overall portfolio. The risk of loss shall be controlled by investing only in authorized investments as defined in this Policy, by qualifying the financial institutions with which the City will transact, and by portfolio diversification. Safety is defined as the undiminished return of the principal on the City's investments.

4.2. **Liquidity.** The investment portfolio shall be managed to maintain liquidity to ensure that funds will be available to meet the City's cash flow requirements and by investing in securities with active secondary markets. Investments shall be structured in such a manner as will provide the liquidity necessary to pay obligations as they become due. An investment may be liquidated or redeemed prior to its stated maturity to meet unanticipated cash requirements, or to otherwise favorably adjust the City's portfolio, in accordance with Section 2.2.5 above.

4.3. **Market Rate-of-Return (Yield).** The City's investment portfolio shall be designed· to optimize a market rate-of-return on investments consistent with risk constraints and cash flow requirements of the portfolio. The investment portfolio shall be managed in a manner which seeks to attain a market rate of return throughout budgetary and economic cycles. The City will not attempt to consistently attain an unrealistic above market rate-of-return, as this objective will subject the overall portfolio to greater risk. Therefore, the City's rate of return objective is secondary to those of safety and liquidity. Rate of return (yield) is defined as the rate of annual income return on an investment, expressed as a percentage.

4.4. **Public Trust.** All participants in the City's investment program shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction which might involve a conflict of interest or otherwise impair public confidence in the City's ability to govern effectively. All City employees having either a direct or indirect role in the process of investing idle funds shall act responsibly as custodians of the public trust.

5. INVESTMENT RESPONSIBILITY. As provided in this Policy, the daily operation and management of the City's investments are the responsibility of the following persons.

5.1 **Delegation of Authority.** The Managing Director of Fiscal Services (MDFS), Managing Director of Development Services, and the Fiscal Manager shall be Investment Officers and are authorized to deposit, withdraw, invest, transfer, or manage in any other manner the funds of the City. Management responsibility for the investment program is hereby delegated to the MDFS, who shall establish written procedures for the operation of the investment program, consistent with this Policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No persons may engage in an

investment transaction except as provided under the terms of this Policy and the procedures established by the MDFS. The MDFS shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of involved City employees. The system of controls shall be designed to provide reasonable assurance that assets of the City are protected from loss, theft or misuse. The concept of reasonable assurance recognizes that:

(1) the cost of a control should not exceed the benefits likely to be derived; and,
(2) the valuation of costs and benefits requires estimates and judgments by management.

The MDFS shall be designated as the primary Investment Officer for the City and shall be responsible for investment decisions and activities under the direction of the City Manager. The MDFS may delegate any phase of the investment program to the Senior Accountant. However, ultimate responsibility for investment decisions will rest with the MDFS. Commitment of financial and staffing resources in order to optimize investment return through active portfolio management shall be the responsibility of the City Council.

5.2 **Prudence.** The standard of prudence to be applied by the Investment Officer shall be the "prudent person" rule, which states, "investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the following:

5.2.1 The investment of all funds over which the Investment Officer had responsibility rather than a consideration as to the prudence of a single investment; and

5.2.2 whether the investment decision was consistent with the written Investment Policy and procedures of the City.

5.3 **Due Diligence.** An Investment Officer, acting in accordance with written policies and procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported in a timely manner and that appropriate action is taken to control adverse developments.

5.4 **Ethical Standards and Conflicts of Interest.** All City employees having a direct or indirect role in the investment of City funds shall act as custodians of the public trust avoiding any transaction which might involve a conflict of interest, the appearance of a conflict of interest, or any activity which might otherwise discourage public confidence. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. An

Investment Officer who has a personal business relationship with a depository bank or with any entity seeking to sell an investment to the City shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree of affinity or consanguinity (affiliation) to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the City Council.

5.5 **Training.** The City shall provide periodic training in investments for the Investment Officers through courses and seminars offered by professional organizations and associations in order to ensure the quality and capability of the City's Investment Officers. The Investment Officers shall accrue at least ten (10) hours of instruction relating to the Officer's responsibility under the Act within twelve (12) months after assuming duties, and not less than once every two years that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years after that date, accrue an additional eight (8) hours of training. The Government Finance Officers Association, Government Finance Officers Association of Texas, the Government Treasurers' Organization of Texas, the Texas Municipal League, the University of North Texas, and the North Central Texas Council of Governments are approved as independent training sources.

6. AUTHORIZED INVESTMENTS. As stated previously, safety of principal is the primary objective in investing public funds and can be accomplished by limiting two types of risk - credit risk and interest rate risk. Credit risk is the risk associated with the failure of an investment issuer or backer. Interest rate risk is the risk that the value of a portfolio will decline due to an increase in the general level of interest rates. In order to provide for safety of principal as the City's primary objective, only certain investments are authorized as acceptable investments for the City. The following list of authorized investments for the City intentionally excludes some investments authorized by law. These restrictions are placed in order to limit possible risk and provide the maximum measure of safety to City funds.

At least quarterly, the Investment Officers shall monitor market values and issuer ratings obtained from independent news sources, business organizations or portfolio reporting services. In the event an authorized investment loses its required minimum credit rating, all prudent measures will be taken to liquidate said investment. Additionally, the City is not required to liquidate investments that were authorized at the time of purchase.

6.1 **Authorized and Acceptable Investments.** The authorized list of investment instruments is as follows:

6.1.1. Obligations, including letters of credit of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks, but excluding mortgage-backed securities.

6.1.2. Direct obligations of the State of Texas, or its agencies and instrumentalities.

6.1.3. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, but excluding mortgage-related securities.

6.1.4. Financial Institution Deposits. Certificates of deposit and other evidences of deposit at a financial institution that: a) has its main office or a branch office in Texas and is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or National Credit Union Share Insurance Fund or its successor, b) is secured in a manner and amount provided by law and in accordance with 10.2 Collateralization, or c) is executed through a depository institution or broker that meets the requirements of the Act.

6.1.5. Municipal Bonds. Obligations of agencies, counties, cities, and other political subdivisions of the State of Texas rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

6.1.6. Eligible Local Government Investment Pools. Public funds investment pools which invest in instruments and follow practices allowed by the current law as defined in Section 2256.016 of the Texas Government Code, provided that:

- the investment pool has been authorized by the City Council;
    - the pool shall have furnished the City an offering circular containing the information required by Section 2256.016(b) of the Texas Government Code;
- the pool shall furnish the City investment transaction confirmations with respect to all investments made with it;
    - the pool shall furnish to the City monthly reports containing the information required under Section 2256.016(c) of the Texas Government Code;
- the pool is continuously rated no lower than "AAA" or "AAA-m" or an equivalent rating by at least one nationally recognized rating service;
- the pool marks its portfolio to market daily;
- the pool's investment objectives shall be to maintain a stable net asset value of one dollar ($1.00); and
- the pool's investment philosophy and strategy are consistent with this Policy.

6.1.7. Repurchase Agreements, Reverse Repurchase Agreements, Bankers' Acceptances, and Commercial Paper. These investments are authorized for the City to the extent that they are contained in the portfolios of approved public funds

investment pools or money market mutual funds in which the City invests. Only fully collateralized direct repurchase agreements with the City's Primary Depository are authorized City investments. All City repurchase agreement transactions shall be governed by a signed repurchase agreement. Repurchase agreements must also be secured in accordance with State law as described in Section 10.

Regulated No-Load Money Market Mutual Funds. investments are authorized, under the following conditions: These

- the money market mutual fund is registered with and regulated by the Securities and Exchange Commission;
- the fund provides the City with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940;
- the fund complies with federal Securities and Exchange Commission Rule 2a-7 as promulgated under the Investment Company Act of 1940;
- the fund has a dollar-weighted average portfolio maturity in compliance with PFIA;
- the investment objectives include the maintenance of a stable net asset value of one dollar ($1.0000) per share; and
- the fund meets the duration and investment requirements of PFIA.

The City may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund.

6.2. **Investment Instruments NOT Authorized.** State law specifically prohibits investment in the following securities:

6.2.1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.

6.2.2. An obligation whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.

6.2.3. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years.

6.2.4. Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

7. DIVERSIFICATION. Diversification of investment instruments shall be utilized to avoid incurring unreasonable risks resulting from over-concentration of investments in a specific maturity, a specific issue, or a specific class of investments, where appropriate. The longer the maturity of investments, the greater their potential price volatility. Therefore,

it is the City's policy to concentrate its investment portfolio in shorter-term investments in order to limit principal risks caused by change in interest rates. The City will attempt to match its investments with anticipated cash flow requirements and maximum maturities outlined in Appendix A Investment Strategy Statement. However, the above described obligations, certificates, or agreements may be collateralized using longer date instruments. The City shall diversify the use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Maturity scheduling shall be managed by the Investment Officers so that maturities of investments shall be timed to coincide with projected cash flow needs.

8. AUTHORIZED BROKER/DEALERS AND FINANCIAL INSTITUTIONS. Financial institutions (federally insured banks) with and through whom the City invests shall be authorized by State laws and this Policy. Broker/dealers and investment advisors authorized to provide investment services to the City shall include only those authorized by the City Council. All primary depository banking services will be governed by a depository contract awarded by the City Council. In addition, the Managing Director of Fiscal Services shall maintain a list of authorized brokers/dealers and investment pools that are authorized by the City Council. In order to create a competitive pricing environment for each investment transaction, the City shall compare alternatives from multiple authorized investment providers.

8.1 All organizations with whom the City does investment-related business (including financial institutions, broker/dealers, advisors, and pools) must supply the following, as appropriate: (1) audited financial statements; (2) proof of Financial Industry Regulatory Authority (FINRA) certification; (3) proof of State registration; (4) completed broker/dealer questionnaire.

Local government investment pools and discretionary investment management firms shall provide certification of having read the City's Investment Policy signed by a qualified representative of the organization, acknowledging that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and the organization in accordance with the Act.

8.2 **Primary Depository.** Selection Criteria for Primary Depository shall include the following: (1) the financial institution must be insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund (NCUSIF); (2) the financial institution must be incorporated under the laws of the State of Texas or of the United States of America; and (3) the financial institution must be located within the corporate boundaries of the City. Primary Depositories located outside the City limits, but within Dallas County may be eligible, provided the financial institution maintains a place of business within the State of Texas and offers within the State the services required by

the primary depository services contract; and the City Council has adopted a written policy expressly permitting the consideration of applications received by the City from a financial institution that is located outside the City, after taking into consideration what is in the best interest of the City in establishing a primary depository.

8.3 **Monitoring Investments.** The Investment Officers of the City are responsible for monitoring the investments made by a financial institution and/or broker/dealer to determine that they are in compliance with the provisions of the Investment Policy.

9. DELIVERY VERSUS PAYMENT. It is the policy of the City that all security transactions entered into with the City shall be conducted on a **"DELIVERY VERSUS PAYMENT"** (DVP) basis through the Federal Reserve System, or similar system. By doing this, City funds are not released until the City has received, through the settlement system, the securities purchased. The City shall authorize its safekeeping bank to release funds only after the safekeeping bank has received the purchased security in the safekeeping account of the City.

10. SAFEKEEPING AND COLLATERALIZATION

10.1 **Safekeeping and Collateralization.** All securities owned by the City shall be held by a third-party safekeeping agent selected by the City. The collateral for financial institution deposits will be held and pledged to the City in the institution's trust department, in a Federal Reserve Bank account in an account in the City's name, or a third-party custodian, at the City's discretion. Pledge receipts shall be obtained and held by the City.

10.2 **Collateralization.** Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require full collateralization of all City funds on deposit with a financial institution not fully insured. The market value of the pledged securities securing the deposit of funds shall be at least equal to 102% of the amount of the deposits of funds plus accrued interest, with the exception of deposits secured with irrevocable letters of credit at 100% of amount plus anticipated interest, reduced to the extent that the deposits are FDIC insured. Securities pledged as collateral shall be held by an independent third-party approved by the City and governed by a current custodial agreement. The agreement is to specify the acceptable securities as collateral, including provisions relating to possession of the collateral, the substitution or release of securities, ownership of securities, and the method of valuation of securities. The agreement must clearly state that the custodial bank is instructed to release pledged securities to the City in the event the City has determined that the depository bank has failed to pay as requested by the City, or has determined that the funds of the City are in jeopardy for whatever reason, including involuntary closure or change of ownership. A clearly marked evidence of pledge, e.g., pledge receipt, must be supplied to the City and retained by the City. Any collateral with a maturity over five (5) years must be approved by an Investment Officer before the transaction is completed. Release of collateral must be approved in writing by an Investment Officer.

10.2.1 The City may accept the following securities as collateral for financial institution deposits:

- guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
- secured by obligations that are eligible for pledge as described in the Public Funds Collateral Act: or
- secured by a letter of credit issued by the United States or its agencies and instrumentalities.

10.2.2 Financial institutions with which the City invests or maintains other deposits shall provide monthly, and as requested by an Investment Officer, a listing of the collateral pledged to the City, marked to current market prices. The listing shall include total pledged securities itemized by name, type, description, CUSIP, par value, current market value, maturity date, and Moody's or Standard & Poor's rating, if applicable. The City and the financial institution shall jointly assume the responsibility for ensuring tHat the collateral is sufficient.

10.3 **Collateralized Deposits.** Consistent with the requirements of State law, the City requires all financial institution deposits to be federally insured or collateralized with eligible instruments. Financial institutions serving as City depositories will be required to sign a "Depository Agreement" with the City. The collateralized deposit portion of the Agreement shall define the City's rights to the collateral in the event of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- the Agreement must be in writing;
- the Agreement must be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- the Agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- the Agreement must be part of the Depository's "official record" continuously since its execution.

11. INTERNAL CONTROL. The Managing Director of Fiscal Services shall establish a system of written internal controls. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. The City, in conjunction with its annual financial audit, shall perform a compliance audit of management controls and adherence to the City's established Investment Policy.

12. **PERFORMANCE.** The City's investment portfolio shall be designed to obtain a market rate of return on investments consistent with risk constraints and cash flow requirements of the City. This Investment Policy establishes "weighted average yield to maturity" as the standard portfolio performance measurement.

13. **REPORTING.** The Managing Director of Fiscal Services shall submit a quarterly investment report, signed by all Investment Officers, that summarizes current market conditions, economic developments, and anticipated investment conditions. The report shall summarize investment strategies employed in the most recent quarter and describe the portfolio in terms of investments, maturities, risk characteristics, and shall explain the investment return for the quarter.

13.1 **Annual Report.** The Managing Director of Fiscal Services shall present an annual report on the investment program and investment activity. This report may be presented as a component of the fourth quarter report to the City Manager and City Council. In conjunction with the annual audit, the quarterly reports shall be formally reviewed by the City's independent auditor, and the result of the review shall be reported to the City Council by that auditor. Said results may be included in the full annual audit report.

13.2 **Methods.** The quarterly investment report shall include a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the past quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to this Policy. The report will be provided to the City Council. The report will include the following:

13.2.1 A listing of individual investments held at the end of the reporting period. This list will include the name of the fund or pooled group fund for which each individual investment was acquired;

13.2.2. Book and market value of each separately invested asset at the end of the reporting period by type of asset and fund type invested;

13.2.3 Fully accrued interest for the reporting period;

13.2.4 Average weighted yield to maturity of the portfolio as compared to applicable benchmarks;

13.2.5 Listing of investments by maturity date;

13.2.6 The percentage of the total portfolio which each type of investment represents; and

13.2.7 Statement of compliance of the City's investment portfolio with State Law and the investment strategy and policy approved by the City Council.

14. <u>INVESTMENT POLICY ADOPTION AND AMENDMENT.</u> The City's Investment Policy shall be adopted and amended by resolution of the City Council only. The City's written policies and procedures for investments are subject to review not less than annually to stay current with changing laws, regulations, and needs of the City. The City Council, not less than annually, shall adopt a written instrument stating that it has reviewed the Investment Policy and investment strategies and that the written instrument so adopted shall record any changes made to either the Policy or strategies.

DRAFT

Attachment A

CITY OF DUNCANVILLE, TEXAS
Investment Policy

Investment Strategy Statement

Operating Funds

Suitability - Any investment eligible in the Investment Policy is suitable for Operating Funds.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing the weighted average days to maturity for the Operating Fund's portfolio to less than 270 days and restricting the maximum allowable maturity to two years, the price volatility of the overall portfolio will be minimized.

Liquidity - The Operating Fund requires the greatest short-term liquidity of any of the Fund types. Cash equivalent investments will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Marketability – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. Historical market “spreads” between the bid and offer prices of a particular security-type of less than ten basis points will define an efficient secondary market.

Diversification – Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Market cycle risk will be reduced by diversifying the appropriate maturity structure out through two years.

Yield – Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

DRAFT

City of Duncanville Internal Investment Pool

Suitability – Any investment eligible in the Investment Policy is suitable for the Internal Investment Pool.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing weighted average days to maturity for the Internal Investment Pool to less than 270 days and restricting the maximum allowable maturity to two years, the price volatility of the overall portfolio will be minimized.

Liquidity - The Internal Investment Pool has moderate liquidity needs. Cash equivalent investments will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Marketability – Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. Historical market "spreads" between the bid and offer prices of a particular security-type of less than ten basis points will define an efficient secondary market.

Diversification – Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Market cycle risk will be reduced by diversifying the appropriate maturity structure out through two years.

Yield – Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

DRAFT

Debt Service Funds

Suitability – Any investment eligible in the Investment Policy is suitable for the Debt Service Fund.

Safety of Principal – All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing Debt Service Funds to not exceed the debt service payment schedule the market risk of the overall portfolio will be minimized.

Liquidity - Debt Service Funds have predictable payment schedules. Therefore, investment maturities should not exceed the anticipated cash flow requirements. Cash equivalent investments may provide a competitive yield alternative for short term fixed maturity investments. A singular repurchase agreement may be utilized if disbursements are allowed in the amount necessary to satisfy any debt service payment. This investment structure is commonly referred to as a flexible repurchase agreement.

Marketability - Securities with active and efficient secondary markets are not necessary as the event of an unanticipated cash flow requirement is not probable.

Diversification - Market conditions influence the attractiveness of fully extending a maturity to the next "unfunded" payment date. Generally, if investment rates are anticipated to decrease over time, the City is best served by locking in most investments. If the interest rates are potentially rising, then investing in shorter and larger amounts may provide advantage. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio shall be the minimum yield objective.

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Debt Service Reserve Funds

Suitability - Any investment eligible in the Investment Policy is suitable for Debt Service Reserve Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the Investment Policy.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, managing Debt Service Reserve Fund maturities to not exceed the call provisions of the borrowing reduces the investment's market risk if the City's debt is redeemed and the Reserve Fund liquidated. No stated final investment maturity shall exceed the shorter of the final maturity of the borrowing or two years. Annual mark-to-market requirements or specific maturity and average life limitations within the borrowing's documentation will influence the attractiveness of market risk and reduce the opportunity for maturity extension.

Liquidity - Debt Service Reserve Funds have no anticipated expenditures. The Funds are deposited to provide annual debt service payment protection to the City's debt holders. The funds are "returned" to the City at the final debt service payment. Market conditions and arbitrage regulation compliance determine the advantage of investment diversification and liquidity. Generally, if investment rates exceed the cost of borrowing, the City is best served by locking in investment maturities and reducing liquidity. If the borrowing cost cannot be exceeded, then concurrent market conditions will determine the attractiveness of locking in maturities or investing shorter and anticipating future increased yields.

Marketability- Securities with less active and efficient secondary markets are acceptable for Debt Service Reserve Funds.

Diversification - Market conditions and the arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Debt Service Reserve Funds. At no time shall the final debt service payment date of the bond issue be exceeded in an attempt to bolster yield.

Yield - Achieving a positive spread to the applicable borrowing cost is the desired objective. Debt Service Reserve Fund portfolio management shall at all times operate within the limits of the Investment Policy's risk constraints.

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Special Project and Capital Project Funds

Suitability -Any investment eligible in the Investment Policy is suitable for Special Project and Capital Project Funds.

Safety of Principal -All investments will be of high quality with no perceived default risk. Market fluctuations may occur. However, by restricting the maximum maturity to two years and by managing Special Project and Capital Project Funds to balance the short term and long term anticipated cash flow requirements, the market risk of the portfolio will be minimized.

Liquidity - Special Project and Capital Project Funds used as part of a CIP plan or scheduled repair and replacement program are reasonably predictable. However, unanticipated needs or emergencies may arise. Selecting Investment maturities that provide greater cash flow than the anticipated needs will reduce the liquidity risk of unanticipated expenditures.

Marketability - The balancing of short-term and long-term cash flow needs requires the short-term portion of the Special Project and Capital Project Funds portfolio to have securities with active and efficient secondary markets. Historical market "spreads" between the bid and offer prices of a particular security-type of less than ten basis points will define an efficient secondary market. Securities with less active and efficient secondary markets are acceptable for the long-term portion of the portfolio.

Diversification - Investment maturities should blend the short-term and long-term cash flow needs to provide adequate liquidity, yield enhancement and stability. A "barbell" maturity ladder may be appropriate.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio structures is the desired objective. The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

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Bond Funds

Suitability -Any investment eligible in the Investment Policy is suitable for Bond Funds.

Safety of Principal - All investments will be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing Bond Funds to not exceed the shorter of two years or the anticipated expenditure schedule the market risk of the overall portfolio will be minimized.

Liquidity - Bond Funds used for capital improvement programs have reasonably predictable draw down schedules. Therefore, investment maturities should generally follow the anticipated cash flow requirements. Cash equivalent investments will provide readily available funds generally equal to at least one month's anticipated cash flow needs, or a competitive yield alternative for short term fixed maturity investments. A singular repurchase agreement may be utilized if disbursements are allowed in the amount necessary to satisfy any expenditure request. This investment structure is commonly referred to as a flexible repurchase agreement.

Marketability - Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement. Historical market "spreads" between the bid and offer prices of a particular security-type of less than ten basis points will define an efficient secondary market.

Diversification - Market conditions and arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for construction, loan and bond proceeds. Generally, when investment rates exceed the applicable cost of borrowing, the City is best served by locking in most investments. If the cost of borrowing cannot be exceeded, then concurrent market conditions will determine the attractiveness of diversifying maturities or investing in shorter and larger amounts. At no time shall the anticipated expenditure schedule be exceeded in an attempt to bolster yield.

Yield -Achieving a positive spread to the cost of borrowing is the desired objective, within the limits of the Investment Policy's risk constraints. The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective for non- borrowed funds.

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Attachment B

CITY OF DUNCANVILLE, TEXAS
Authorized Broker/Dealers

1. SouthState | DuncanWilliams
2. FHN Financial Capital Markets
3. Great Pacific Securities
4. Hilltop Securities
5. Multi-Bank Securities
6. Wells Fargo Securities

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Receive a presentation from the Duncanville Police Department on revising Chapter Four—Animals and Fowl City Ordinance to comply with state legislation changes and best practices, Council discussion on the proposed changes, and direction if needed.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Matt Stogner, Chief of Police

BACKGROUND/HISTORY:
The Police Department received a permit application for goats, which the Chief of Police denied on December 20, 2022, due to not receiving the required signatures. On February 7, 2023, the denial was appealed to the City Council and tabled until after the upcoming election.

The Police Department began revising the ordinance to comply with legislation changes and best practices and to remove the City Council from the appeal process.

POLICY EXPLANATION:
Updated sections to reflect legislation changes and best practices from other Cities within the Metroplex, added definitions to better explain the intent of the ordinance and simple grammatical errors.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**

$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
N/A

ATTACHMENTS:
Animal Ordinances (Rev)

Sec. 4-1. Statement of purpose.

It is the purpose of this chapter to promote and ensure the protection of public health, safety, and general welfare by controlling animal populations and related diseases through the enforcement of state and local laws. Provisions of this chapter are designed to:

(1) Provide for the capture and housing of animals found at large or abandoned.

(2) Control rabies by requiring vaccinations and investigating bite incidents.

(3) Minimize public nuisances caused by the animal population found within the city limits.

(4) Protect the public and emergency service personnel from dangerous or vicious animals.

(5) Maintain and promote an adoption program.

(Ord. No. 1576, § 1, 7-20-99)

Secs. 4-2—4-9. Reserved.

ARTICLE II. ANIMAL CONTROL

Sec. 4-10. Definitions.

When used in this article the following words and terms, unless the context indicates a different meaning, shall be interpreted as follows:

Animal: Shall mean a warm-blooded animal, any living creature, including, but not limited to: dogs, cats, cows, horses, birds, fish, mammals, reptiles, insects, fowl and livestock, but specifically excluding human beings.

Backyard Chickens or chicken shall mean Gallus gallus domesticus and does not include other fowl, such as, but not limited to, peacocks, roosters, turkeys, or waterfowl.

Cat: Shall mean any live or dead cat (Felis Catus), excluding hybrids.

Chicken coop means a covered, predator-resistant chicken house that is designed to be easily accessed, cleaned, and maintained, and meets all the specifications for a shelter, animal housing enclosure, and any other applicable requirements of this chapter.

https://www.chickenfans.com/chicken-coop-size-calculator/

Dangerous dog: A dog that is a vicious animal as defined herein.

~~*Dangerous wild animal:* Shall mean any one of the following or a hybrid of any of the following: lion, tiger, ocelot, cougar, leopard, cheetah, jaguar, bobcat, lynx, serval, caracal, hyena, bear, coyote, jackal, baboon, chimpanzee, orangutan, and gorilla.~~

Dog: Shall mean any domesticated animal that is a member of the canine family.

Exercise yard means an enclosure attached to a chicken coop that provides exercise for backyard chickens and is constructed to prevent the backyard chickens from escaping such enclosure and offers protection from predators.

Humanely euthanized: Shall mean to cause the death of an animal by a method which:

(1) Rapidly produces unconsciousness and death without visible evidence of pain or distress, or

(2) Utilizes anesthesia produced by an agent which causes painless loss of consciousness, and death following such loss of consciousness.

Hybrid: Shall mean any offspring of two wild animals of different species or the offspring of wild animals bred with domesticated dogs or cats.

~~*Livestock:* Shall mean horses, mules, cows, hogs, pigs, potbellied pigs, goats, and sheep of any and all kinds and shall include both the male and female gender of such animals.~~

Livestock: means or includes domesticated animals typically kept to provide food or fiber or perform work, whether or not they actually provide these functions, including but not limited to, regardless of age, sex, or breed: horses, consisting of all equine species including ponies, mules, donkeys, jackasses, and burros; cattle, consisting of all bovine species; sheep, consisting of all ovine species; llamas and alpacas; goats, consisting of all caprine species; rabbits kept primarily outdoors or raised as a food or fiber source; chickens, ducks, and other fowl; and pigs or hogs, consisting of all swine species.

Local health authority: The chief of police is designated as the local health authority and has authority to appoint representatives to enforce the provisions of this article, to receive reports of animal bites, investigate animal bites, ensure quarantine or possibly rabid animals and otherwise carry out provisions of the Texas law pertaining to control and eradication of rabies.

Owner: Shall mean any person, firm or corporation having title to any animal, or a person who has, harbors or keeps, or causes or permits to be harbored or kept, an animal in his care, or who permits an animal to remain on or about his premises.

Person: Shall mean any individual, firm, association, partnership, or corporation.

Representative of local health authority: Shall mean and include any peace officer or animal control officer of the city.

Roosting space means a perching area made of non-metallic material that is elevated above the floor level of the nesting box(es), located so that all housed backyard hens can sit, stand up, and turn around without coming into contact with a wall, the ceiling, or a perch above it, and staggered so that no roosting space is directly above or below it.

Running at large: Shall mean not completely confined by a building, wall or fence of sufficient strength or construction to restrain the animal, except when such animal is either on a leash or held in the hands of the owner or keeper, or under direct supervision of the owner within the limits of the owner's private property. An animal within an automobile or other vehicle shall not be deemed "running at large."

Secure enclosure (Dogs): Shall mean a fenced area or structure that is:

(1) locked;

(2) capable of preventing the entry of the general public, including children;

(3) capable of preventing the escape or release of a dog; and

(4) clearly marked as containing dangerous dog; and

(5) in conformance with the requirements for enclosures established by the local health authority.

Secure enclosure (Livestock):

(1) Capable of preventing the entry of the general public, including children;

(2) Capable of preventing the escape or release of the livestock.

(3) Has an attached, secured roof and, at minimum (3) sides to protect the livestock from weather and to provide shelter and protection from heat, cold, and other environmental conditions and must be adequately ventilated.

(4) Must have bedding material and large enough so that the livestock can enter, stand, turn around, and lie down but small enough to prevent the loss of body heat during cold weather.

(5) Is located a minimum of five (5) feet from any fence line or wall that abuts private property or a public area, and;

(5) Complies with all additional requirements as established and provided in writing to the owner by the local health authority.

Serious bodily injury: Shall mean an injury characterized by severe bite wounds or severe ripping and tearing of muscle that would cause a reasonably prudent person to seek treatment from a medical professional and would require hospitalization without regard to whether the person actually sought medical treatment.

~~*Shelter:* means a structure that is capable of adequately providing cover and protection from heat, cold, and other environmental conditions. At a minimum, a shelter must have three (3) sides, a top, and a bottom and must be adequately ventilated. It must have bedding material. It must be large enough so that the animal can enter, stand, turn around, and lie down, but small enough to prevent the loss of body heat during cold weather.~~

Stray animal: Shall mean any animal for which there is no identifiable owner or harborer.

Tether: Shall mean to chain, tie, fasten, or otherwise secure an animal to a fixed point so that it can move or range only within certain limits.

Unprovoked: means that the animal was not hit, kicked, pulled, struck, pinched, poked, prodded, shocked, or squeezed by a person with an object or part of the person's body, or otherwise teased or tormented in any manner.

Vaccination: Shall mean an injection with United States Department of Agriculture approved rabies vaccine administered every 12 calendar months by a licensed veterinarian.

Veterinarian: Shall mean a veterinarian licensed to practice veterinary medicine.

Vicious animal: Shall mean any individual animal, including a dog, that:

(1) Makes an unprovoked attack on a person that causes bodily injury in a place other than an enclosure in which such animal was being kept and that was reasonably certain to prevent such animal from leaving the *secure* enclosure on its own; or

(2) Commits unprovoked acts in a place other than an enclosure in which the animal was being kept and that was reasonably certain to prevent the animal from leaving the enclosure on its own and those acts cause a person to reasonably believe that such animal will attack and cause bodily injury to that person~~.~~; or

(3) An animal that is at large and commits an unprovoked attack on a domestic animal that causes the death of the attacked animal; or

(4) An animal that is at large and commits an unprovoked attack on a domestic animal that causes serious bodily injury to the attacked animal and the attacking animal has already committed at least one unprovoked attack on a previous occasion against a human being or domestic animal.

Wild animals: Shall include all types of animals which commonly exist in a natural unconfined state and are usually not domesticated. This shall apply regardless of the state or duration of captivity. Such animal shall include, but are not limited to: lion, tiger, ocelot, cougar, leopard, cheetah, jaguar, bobcat, lynx, serval, caracal, hyena, bear, coyote, jackal, baboon, monkeys, chimpanzee, orangutan, gorilla, skunks, raccoons, bats, weasels, squirrels, opossums, lesser pandas, binturongs, wolves, hybrids of wolves and canines, elephants, rhinoceroses, foxes, alligators, crocodiles, ostriches, emus, prairie dogs, boas, pythons, anaconda, and all forms of poisonous or constricting reptiles.

(Ord. No. 1719, § 1, 6-5-01; Ord. No. 1757, § 1, 10-2-01; Ord. No. 2036, § 1, 9-18-07)

Editor's note(s)—Ord. No. 892, § 1, enacted Nov. 15, 1982, amended art. II, to read as set out in §§ 4-10—4-15 and 4-17—4-26. Section 2 of said ordinance has been codified as § 4-27 at the discretion of the editors. Prior to amendment art. II, §§ 4-10—4-18, pertained to livestock and was derived from Ord. No. 332, §§ 1—4, 6, 7 adopted Dec. 11, 1964. Former arts. III and IV, pertaining to dogs and cats, have been superseded by Ord. No. 892. Art. III was derived from Ord. No. 197, §§ 1—10, adopted May 5, 1960; Ord. No. 471, §§ 1, 2, adopted May 25, 1970; Ord. No. 623, § 1, adopted Mar. 4, 1975; Ord. No. 629, § 1, adopted June 16, 1975; Ord. No. 714, §§ 1—4, adopted May 1, 1978; and Ord. No. 715, § 1, adopted May 1, 1978. Art. IV was derived from Ord. No. 669, § 1, adopted Sept. 7, 1976.

Cross reference(s)—Rules of construction generally, § 1-3.

Sec. 4-11. Enforcement.

(a) Enforcement of this article shall be the responsibility of the local health authority, any peace officer, or any animal control officer.

(b) The local health authority, any peace officer or any animal control officer shall have the authority to issue citations for any violation of this article.

(c) If the person to be cited is not present, the local health authority, any peace officer or any animal control officer may send the citation to the alleged offender by registered or certified mail.

(d) It shall be unlawful for any person to interfere with the local health authority, or animal control officer in the performance of his duties.

(e) The local health authority, any peace officer or any animal control officer shall have the authority to humanely euthanize or destroy any animal in accordance with the provisions of this article.

(f) The animal control officer or any peace officer shall have the authority to use a tranquilizer gun in the lawful discharge of his duties.

(g) Each twenty-four (24) hour period of violation, and each separate animal or condition in violation of any provision of this chapter, shall constitute a separate offense.

~~(g)~~(h) The provisions of this article shall not apply, and it shall be a defense to the requirements set forth herein, if the animal is a dog owned or used by and under the supervision of a law enforcement agency or peace officer.

(Ord. No. 1916, § 1, 1-18-04)

Sec. 4-12a. Running at large.

(a) It shall be unlawful for an owner or person who possesses, keeps, or harbors any dog or other animal other than a cat, to fail to keep such dog or animal from running at large, as defined herein, within the limits of the city. Proof of a culpable mental state is not required for conviction of an offense under this section. It is the intent of the city to dispense with the requirement of any culpable mental state in prosecutions filed hereunder.

(b) The local health authority is authorized to impound such animals running at large.

~~(c) The use of a tether that is attached to a line between two points and is positioned in such a manner as to prevent the animal from becoming entangled with any obstruction, from partially or totally jumping any fence, or leaving any part of its owner's property, and that is secured to the animal using a properly fitted collar or harness shall be the only permissible means to tether the animal if said use does not otherwise violate this section.~~

~~(d) It shall be unlawful for any person to tie or tether a dog or other animal to a stationary object for a period of time or in a location so as to create an unhealthy situation for the animal or potentially dangerous situation for a pedestrian as determined by the animal control officer. The term "unhealthy situation" shall include, but not be limited to the following:~~

~~(1) To tether any animal in such a manner as to permit the animal access upon any public right-of-way;~~

~~(2) To tether any animal in such a manner as to cause the animal injury or pain or not to permit the animal to reach shelter, food and/or water;~~

~~(3) To tether any animal in such a manner as to permit the animal to leave the owner's property;~~

~~(4) To use choke-type collars to tether any animal.~~

~~(e) It shall be unlawful to tether any animal in the front yard. On corner lots, both sides shall be considered a front yard.~~

(Ord. No. 1719, § 2, 6-5-01)

Sec. 4-12b. TETHERING ANIMALS

(a) A person commits an offense if he tethers an animal to a stationary object for any length of time except as allowed by subsections (b) and (c) of this section.

(b) Restraint on the owner's property or for a lawful animal event, veterinary treatment, grooming, training, law enforcement activity, or when needed to protect the safety or welfare of a person or animal, shall be allowed provided that all of the following conditions are met:

1) The animal's owner maintains continuous, direct physical control of the animal throughout the period of restraint;

2) The tether is attached to a properly fitting collar or harness and is not wrapped around the animal's neck. Choke or prong-type collars are prohibited;

3) The tether is designed and placed in a manner to prevent entanglement or injury; and

4) The tether does not allow the animal to move outside the person's property or come within ten (10) feet of public property if tethered outside a fenced area.

(c) A "skyline" type aerial trolley consisting of a line that is strung between two (2) fixed points that are at least twenty (20) feet apart with a down line that is at least five (5) feet in length is allowed as long as the requirements of subsections 4-12b (b)(2), (b)(3), and (b)(4) are met and the animal is enclosed behind a fence of adequate size and strength capable of preventing the general public, including children, and other animals from entering the area.

Sec. 4-13. Animal vaccination.

(a) *Required.* Every owner of a dog or cat four months of age or older shall have such animal vaccinated against rabies. All dogs or cats vaccinated at four months of age or older shall be revaccinated at one year of age and every third anniversary date thereafter. Any person moving into the city from a location outside of the city, and who has not had such an animal vaccinated within three years, shall comply with this article within ten days after having moved into the city. If the dog or cat has inflicted a bite on any person, or another animal, within the last ten days, the owner of said dog or cat shall report such fact to a veterinarian and no rabies vaccine shall be administered until after a ten-day observation period.

(b) *Certificate of vaccination.* Upon vaccination, the veterinarian shall execute and furnish to the owner of the dog or cat, as evidence thereof, a certificate upon a form furnished by the veterinarian. The veterinarian shall retain a duplicate copy. Such certificate shall contain the following information:

1) The name, address, and telephone number of the owner of the vaccinated dog or cat.
2) The date of the vaccination.
3) The type of rabies vaccine used.
4) The year and number of rabies tags.
5) The breed, age, color and sex of the vaccinated dog or cat.

(c) *(Reserved)*.

(d) *(Reserved)*.

(e) *Proof.* It shall be unlawful for any person who owns or harbors a vaccinated animal to fail or refuse to exhibit his copy of the certificate of vaccination upon demand to any person charged with the enforcement of this article.

(f) *Harboring unvaccinated animals.* It shall be unlawful for any person to harbor any dog, cat or any other animal which has not been vaccinated against rabies, as provided herein, or which cannot be identified as having a current vaccination certificate.

(g) *Animals exposed to rabies.* Any person having knowledge of the existence of any animal known to have been or reasonably believed to have been exposed to rabies must immediately report such knowledge to the local health authority or animal control or peace officer, giving any information which may be required. For any animal known to have been or reasonably believed to have been exposed to rabies, the following is required:

1) Animals having current vaccination must be revaccinated immediately and confined according to the method prescribed by the local health authority for a period of less than 90 days.
2) Animals not having a current vaccination should be humanely euthanized. However, if the owner of such animal elects, he may, at his expense and in a manner prescribed by the local health authority, confine said animal. Such animal must be vaccinated immediately following exposure and quarantined for not less than six months. A revaccination shall be done one month prior to release from quarantine.
3) Animals may be humanely euthanized.

(Ord. No. 2036, § 1, 9-18-07)

Sec. 4-14. Reporting animal bites.

(a) Any person having knowledge of any animal bite or scratch to a human that the person could reasonable foresee as capable of transmitting rabies or of an animal that the person suspects is rabid shall report the incident or animal to the local health authority. The report shall include the name and address of any victim and of the owner of the animal, if known, and any other data which may aid in the locating of the victim or the animal.

(b) The owner of an animal that is reported to be rabid or reported to have been exposed to rabies or that the owner knows or reasonably believes to be rabid or to have been exposed to rabies shall submit the animal for quarantine to the local health authority prescribed in section 4-15.

(c) The incident and animal shall be reported to the local health authority, as soon as possible, but no later than 24 hours from the time of the incident.

(d) The local health authority will investigate each bite incident, utilizing standardized reporting forms provided by the Texas Department of Health.

Sec. 4-15. Animal quarantine.

(a) When a dog or cat has bitten, or scratched a human, or when the local health authority has probable cause to believe an animal is rabid, the owner of such animal shall produce the animal for ten days' confinement at the owner's expense. Refusal to produce said dog, cat or other animal constitutes a separate violation. The ten-day observation period will begin on the day of the bite incident. The animal must be placed in the animal control facilities specified for this purpose, or any other facilities meeting the state requirements, or a facility as designated by the city manager.

However, the owner of the animal may request permission from the local health authority for home quarantine if the following criteria can be met:

1) Secure facilities must be available at the home of the animal's owner and must be approved by the local health authority.

2) The animal was currently vaccinated against rabies at the time of the incident.

3) The local health authority or a licensed veterinarian must observe the animal at least on the first and last days of the quarantine period. If the animal becomes ill during the observation period, the local health authority must be notified by the person having possession of the animal. At the end of the observation period, the release from quarantine must be accomplished in writing.

4) The animal was not running at large at the time of the bite.

(b) If the animal cannot be maintained in a secured quarantine, it shall be humanely destroyed, and the brain submitted to a Texas Department of Health certified laboratory for rabies diagnosis.

(c) It shall be unlawful for any person to interrupt the ten-day observation period.

(d) No wild animal will be placed in quarantine. All wild animals involved in biting incidents will be humanely euthanized in such a manner that the brain ~~in~~ is not mutilated. The brain shall be submitted to a Texas Department of Health certified laboratory for rabies diagnosis.

(e) The owner of an animal that is quarantined under this article shall pay to the local health authority the reasonable costs of the quarantine, care, treatment and disposition of the animal, and the local health authority may sell and retain proceeds to keep, grant or destroy the animal that the owner or custodian does not take possession of on or before the third day following the final day of quarantine.

Sec. 4-17. Animal nuisance.

The following are deemed public nuisances and are hereby declared to be unlawful:

(a) The keeping of any animal which causes loud and unusual or frequent barking, howling or other noise that disturbs the peace and quiet of any person of ordinary sensibility.

(b) Any dog or cat that is impounded two (2) or more times in a calendar year may be declared a nuisance.

(c) The keeping of any animal in such a manner as to endanger the public health; to annoy neighbors by the accumulation of animal wastes which cause foul and offensive odors or is considered to be a hazard to any other animal or human being.

(d) The keeping of bees in such a manner as to deny the lawful use of adjacent property or endanger personal health and welfare or the keeping of any animal in such a manner to deny the lawful use of adjacent property, public property, or to endanger personal health and welfare.

(e) Any animal pens, stables or enclosures and property not kept free from carrion or any putrescible material.

(f) It shall be unlawful and an offense for any person controlling to permit, either willfully or through failure to exercise due care or control, any dog or animal to defecate upon any private property other than the premises of the owner, handler or controller of such animal. It shall also be unlawful and an offense for any person to fail to promptly remove and dispose of, in a sanitary manner, feces left by a dog or cat or other animal being handled or controlled by that person upon any property other than the premises of the owner, handler or controller of such animal.

(g) Any house, building, business, lot, yard, pen, enclosure or ground in which an animal is kept that is unsanitary or offensive to a person of ordinary sensibility residing in the vicinity thereof, or to the public at large.

With the exception of subsections (a) and (e) above, the local health authority shall make such determination of public nuisance and shall give notice to the owner to abate such condition. In the event such condition is not abated within ~~ten days~~ fifteen days of such notice, a certified letter, return receipt requested, to the owner shown on the city tax rolls at the address of such nuisance, shall be sent and constitute proper notice.

Sec. 4-18. Seizure of an animal which caused death of or serious bodily injury to a person.

(a) A justice court, county court, or municipal court shall order the local health authority ~~animal control authority~~ to seize an animal and shall issue a warrant authorizing the seizure:

(1) On the sworn complaint of any person, including the county attorney, the city attorney, or a peace officer, that the animal has caused the death of or serious bodily injury to a person by attacking, biting, or mauling the person; and

(2) On a showing of probable cause to believe that the animal caused the death of or serious bodily injury to the person as stated in the complaint.

(b) The local health authority ~~animal control authority~~ shall seize the animal or order its seizure and shall provide for the impoundment of the animal in secure and humane conditions until the court orders the disposition of the animal.

(c) *Hearing*.

(1) The court shall set a time for a hearing to determine whether the animal caused the death of or serious bodily injury to a person by attacking, biting, or mauling the person. The hearing must be held not later than the tenth day after the date on which the warrant is issued.

(2) The court shall give written notice of the time and place of the hearing to:

a. The owner of the animal or the person from whom the animal was seized; and

b. The person who made the complaint.

(3) Any interested party, including the county attorney or city attorney, is entitled to present evidence at the hearing.

(4) The court shall order the animal destroyed if the court finds that the animal caused the death of a person by attacking, biting, or mauling the person. If that finding is not made, the court shall order the animal released to:

a. Its owner;

b. The person from whom the animal was seized; or

c. Any other person authorized to take possession of the animal.

(5) The court may order the animal destroyed if the court finds that the animal caused serious bodily injury to a person by attacking, biting, or mauling the person. If that finding is not made, the court shall order the animal released to:

a. Its owner;

b. The person from whom the animal was seized; or

c. Any other person authorized to take possession of the animal.

(6) The court may not order the animal destroyed if the court finds that the animal caused the serious bodily injury to a person by attacking, biting, or mauling the person and:

a. The animal was being used for the protection of a person or person's property, the attack, bite, or mauling occurred in an enclosure in which the animal was being kept, and:

1. The enclosure was reasonably certain to prevent the animal from leaving the enclosure on its own and provided notice of the presence of an animal; and

2. The injured person was at least eight years of age, and was trespassing in the enclosure when the attack, bite, or mauling occurred;

b. The animal was not being used for the protection of a person or person's property, the attack, bite, or mauling occurred in an enclosure in which the animal was being kept, and the injured person was at least eight years of age and was trespassing in the enclosure when the attack, bite, or mauling occurred;

c. The attack, bite, or mauling occurred during an arrest or other action of a peace officer while the peace officer was using the animal for law enforcement purposes;

d. The animal was defending a person from an assault or person's property from damage or theft by the injured person; or

e. The injured person was younger than eight years of age, the attack, bite, or mauling occurred in an enclosure in which the animal was being kept, and the enclosure was reasonably certain to keep a person younger than eight years of age from entering.

(d) *Destruction of animal*. The destruction of an animal under this subchapter must be performed by:

(1) A licensed veterinarian;

(2) Personnel of a recognized animal shelter or humane society who are trained in the humane destruction of animals; or

(3) Personnel of a governmental agency responsible for animal control who are trained in the humane destruction of animals.

(e) *Provocation or location of attack irrelevant*. Except as provided by subsection (c)(6), this subsection applies to any animal that causes a person's death or serious bodily injury by attacking, biting, or mauling the person, regardless of whether the animal was provoked and regardless of where the incident resulting in the person's death or serious bodily injury occurred.

(Ord. No. 2036, § 1, 9-18-07)

Editor's note(s)—Ord. No. 2036, § 1, adopted Sept. 18, 2007 amended § 4-18 which pertained to vicious animals and derived from Ord. No. 1840, § 1, adopted June 17, 2003.

Sec. 4-18a. Vicious animals.

(a) *Reporting of incident to municipal court.*

(1) A person may report an incident described by section 4-10, "Vicious animal," to the city municipal court. The owner of the dog shall deliver the dog to a representative of the local health authority not later than the fifth day after the date on which the owner receives notice that the report has been filed. The local health authority may provide for the impoundment of the dog in secure and humane conditions until the court orders the disposition of the dog.

(2) If the owner fails to deliver the dog as required by subsection (b) [(c)(1)], the court shall order the local health authority to seize the dog and shall issue a warrant authorizing the seizure. The local health authority shall seize the dog or order its seizure and shall provide for the impoundment of the dog in secure and humane conditions until the court orders the disposition of the dog. The owner shall pay any cost incurred in seizing the dog.

(3) The court shall determine, after notice and hearing as provided in section 4-18(c), whether the dog is a vicious animal.

(4) The court, after determining that the dog is a vicious animal, may order the local health authority to continue to impound the vicious animal in secure and humane conditions until the court orders disposition of the dog under subsection (a) and the dog is returned to the owner or destroyed.

(5) The owner shall pay a cost or fee assessed under subsection (c)(4).

(b) *Determination that animal is vicious*.

(1) If a person reports an incident described by this article, the local health authority may investigate the incident. If, after receiving the sworn statements of any witnesses, the local health authority determines the animal is a vicious animal, it shall notify the owner of that fact.

(2) An owner, not later than the 15th day after the date the owner is notified that an animal owned by the owner is a vicious animal, may appeal the determination of the local health authority to a justice, county, or municipal court of competent jurisdiction. ~~An owner may appeal the decision of the justice, county, or municipal court in the same manner as appeal for other cases from the justice, county, or municipal court.~~

(3) To file an appeal under Subsection (2), the owner must:

a. file a notice of appeal of the local health authority's vicious animal determination with the court;

b. attach a copy of the determination from the local health authority; and

c. service a copy of the notice of appeal on the local health authority by mailing the notice through the United States Postal Service.

(c) *Requirements for owner of vicious animal*.

(1) Not later than the 30th day after a person learns that the person is the owner of a vicious animal, the person shall:

a. Register the vicious animal with the local health authority for the city in which the animal is kept;

b. Restrain the vicious animal at all times on a leash in the immediate control of a person or in a secure enclosure;

c. Obtain liability insurance coverage or show financial responsibility in an amount of at least $100,000.00 to cover damages resulting from an attack by the vicious animal causing bodily injury to a person and provide proof of the required liability insurance coverage or financial

responsibility to include the name, address, and phone number of the insurance company, to the local health authority for the area in which the dog is kept; and

City	Insurance
Duncanville	$100K
Cleburne	$250k
Plano	$250k
Weatherford	$100k
Cedar Hill	$100k
Lancaster	$100k
Midlothian	$100k

d. Comply with the following regulations:

1. That the animal shall be kept in a locked and secured enclosure; and
2. That the owner posts a conspicuous notice that a vicious animal is located on the premises.

(2) The owner of a vicious animal who does not comply with subsection (a) shall deliver the animal to a representative of the local health authority not later than the 30th day after the owner learns that the animal is vicious.

(3) If, on application of any person, a justice court, county court, or municipal court finds, after notice and hearing as provided by section 4-18(c), that the owner of a vicious animal has failed to comply with subsection (1) or (2), the court shall order the local health authority to seize the animal and shall issue a warrant authorizing the seizure. The authority shall seize the animal or order its seizure and shall provide for the impoundment of the animal in secure and humane conditions.

(4) The owner shall pay any cost or fee assessed by the municipality or county related to the seizure, acceptance, impoundment, or destruction of the animal. The governing body of the municipality may prescribe by resolution the amount of the fees.

(5) The court shall order the local health authority to humanely destroy the animal if the owner has not complied with subsection (1) before the 11th day after the date on which the animal is seized or delivered to the local health authority. The court shall order the local health authority to return the animal to the owner if the owner complies with subsection (1) before the 11th day after the date on which the animal is seized or delivered to the local health authority.

(6) The court may order the humane destruction of a dog if the owner of the animal has not been located before the 15th day after the seizure and impoundment of the animal.

(7) For purposes of this section, a person learns that the person is the owner of a vicious animal when:

a. The owner knows of an attack described in this article;

b. The owner receives notice that a justice court, county court, or municipal court has found that the animal is a vicious animal under section 4-18A; or

c. The owner is informed by the local health authority that the animal is a vicious animal under this article.

(Ord. No. 2036, § 1, 9-18-07; Ord. No. 2234, § 1, 1-6-15)

Sec. 4-18B. Transferring ownership of a registered vicious animals.

(a) Prior to relocating, transferring ownership, offering to transfer ownership, or otherwise moving or offering to move in any way a registered vicious animal, either inside or outside the city limits, the owner shall notify the local health authority in writing of his intention. If ownership is to be transferred, the notification shall include the name and address of the proposed new owner of the animal.

(b) If ownership of the animal is being transferred to a person who resides within the city limits of Duncanville, the new owner will be required to provide proof to the local health authority of complying with all provisions of this chapter before the animal can be moved from the previous owner's custody.

(c) If the animal is being moved outside the city limits, the owner must provide, in writing to the local health authority, proof that the new owner has alerted the agency responsible for animal services in that area.

(d) A person commits an offense if he fails to comply with the requirements of Section 4-18C.

Sec 4-18C. Violations of conditions by the owner of a registered vicious ~~dangerous~~ animal.

In the event that any owner of a registered vicious animal violates any provision of this chapter, court order, or lawful order of the local health authority, the animal may be immediately seized and impounded by a **representative of local health authority.**

The registered vicious ~~dangerous~~ animal shall be seized immediately if the animal bites, injures, or attacks a human being or another animal.

If the seizure or impoundment of a vicious ~~dangerous~~ animal for violating any provision of this chapter cannot be made with safety, and the vicious ~~dangerous~~ animal is putting people or other animals at risk of being attacked, the animal may be destroyed without prior notice to the owner.

It is an exception to the seizure of the animal under this section if the person attacked or injured was at the time committing a willful trespass, crime, or other tort upon the premises occupied by the owner of the animal.

It is an exception to the seizure of the animal under this section if the animal which was injured was inside the secure enclosure area maintained by the owner of the registered vicious ~~dangerous~~ animal.

Sec. 4-19. Prohibited animals. (see HSC 822.104 on what the application must have for the special use permit issuance)

(a) It shall be unlawful for any person to keep or harbor any ~~dangerous~~ wild animal within the city without first obtaining a permit. It shall be unlawful for any person to keep or harbor a wild animal within the city, except as authorized below.

(b) A special use permit for the keeping or harboring of wild animals may be obtained from a duly appointed representative of the local health authority for the following exceptions:

(1) Animals being kept in a public zoo.

(2) Wild animals being kept for the purpose of scientific research or public or private primary or secondary schools.

(3) Wild animals performing in an animal exhibition, rodeo, or circus, of which the animal is an integral part, if the animal is restrained from inflicting injury upon persons, property, or other animals and adequate provisions are made for the care and protection of the animal.

(4) Wild animals being kept as a pet provided the animal is not generally considered by the representative of the local health authority to be dangerous or predatory and does not pose a threat to the general public or emergency service personnel.

~~(c) It shall be unlawful for any person to exhibit, possess or harbor a wild animal within the city in the manner referred to herein without first obtaining a permit.~~

(c) *Permit.* A permit, as authorized in this section, shall be issued by the local health authority ~~only after the local health authority approves such a permit~~.

(d) *Fee for permit.* The fee for a permit as authorized herein shall be determined by resolution of the city council, and the permit shall be valid for a designated period of time as established by the local health authority. Prior to the renewal of any permit, the local health authority or his designee shall review such application and make a decision regarding the approval thereof. In the event the application for a permit is denied ~~or granted~~ by the local health authority, an appeal may be taken as provided in this article ~~by any person aggrieved by the decision of the local health authority.~~ by the applicant.

(e) ~~It shall be unlawful to release or allow to run at large any wild animal.~~ It will be unlawful for a permitted wild animal to run at large.

(f) Subsections (a) through (d) inclusive of section 4-19 shall not apply to a person, firm or corporation engaged in the commercial business of selling wild animals, as defined by the subsections of 4-19.

(1) A person who sells in the city a wild animal as defined in this chapter shall~~:~~

a. Obtain a wild animal permit for each species being sold (not each individual animal) through the local health authority. If the permit is denied, the seller may appeal to the Board of Adjustment ~~city council for approval~~ as provided herein.

b. Receive all wild animal permits before animals can be kept on premises of the seller.

c. Notify the purchaser in writing that it is necessary to obtain a wild animal permit from the city in order to keep such wild animal within the limits of the city.

d. Permit. A permit, as authorized in this section, shall be issued by the local health authority or designee ~~the city secretary only after the local health authority approves such permit~~.

e. Fee for permit. The fee for a permit as authorized herein shall be determined by resolution of the city council, and the permit shall be valid for a designated period of time as established by the local health authority but shall not be valid for more than one year. Prior to the renewal of any permit, the local health authority or designee shall review such application and make a decision regarding the approval thereof. If the renewal of the permit is denied ~~or granted~~ by the local health authority, an appeal may be taken as provided in this article by ~~any person aggrieved by the decision of the local health authority~~ the applicant.

(g) Obtain and maintain liability insurance coverage or showing financial responsibility in an amount of at least one hundred thousand dollars ($100,000.00) to cover damages resulting from an attack by the wild ~~dangerous~~ animal causing bodily injury, serious bodily injury or death to a person or another animal. A certificate of insurance or other evidence of meeting the above requirements shall be kept on file by the local health authority.

(Ord. No. 1576, § 3, 7-20-99; Ord. No. 1757, § 2, 10-2-01; Ord. No. 2026, §§ 1, 2, 5-15-07)

Sec. 4-20. Keeping hens and rabbits.

Fowl and rabbits shall be kept in a secure pen or enclosure that is at least 30 feet from any inhabited dwelling, other than that of the owner, and such enclosure shall be of such construction and strength to keep said animals from running at large.

Number of hens	Minimum Acreage	Distance From Adjacent Residential Dwellings	Distance From Property Line
6 or less	1/4	50 ft.	10 ft.
7 - 10	1/2	70 ft.	15 ft.
11 - 20	1	80 ft.	20 ft.
21 - 60	2	90 ft.	25 ft.
61 or more	3	150 ft.	50 ft.

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Sec. 4-20a. Keeping of backyard hens.

(a) An individual property with one (1) legal dwelling unit, not including dwelling units that are backyard cottages or accessory dwelling units, may keep backyard hens subject to the following requirements and all other applicable provisions of this chapter. The keeping of roosters or any other fowl is prohibited; only chicken hens shall be permitted; and all references herein this section to poultry or chickens shall mean chicken hens only.

(b) A person desiring to keep poultry pursuant to this section must first apply for a backyard hen permit from the local health authority. In addition to paying a non-refundable application fee in an amount established from time to time by resolution of the city council at the time of filing, the applicant shall also:

1) Submit a complete permit application on a form provided by the Police Department;

2) Provide floorplans and side elevations for the proposed animal housing enclosure or if a commercially available coop is acquired, the manufacturer, model, and size of the coop;

3) Provide a site drawing showing the proposed location for the animal housing enclosure that includes all property lines, building lines, setbacks, and other structures located on the property;

4) Provide written, notarized authorization from the property owner allowing backyard hens if the applicant is a person other than the owner of the property on which the backyard hen(s) will be kept; and

5) Provide one-time proof of completion of an educational course approved by the department on backyard hen care and sanitation. Please check our website for this information (Pets & Animals).

(c) Prior to the issuance of a backyard hen permit, a site inspection shall be conducted to verify compliance with the requirements of this section. Applicants who provide proof of having a current backyard hen permit, who have not obtained additional animals since their last inspection and have had no verified complaints and/or enforcement actions for violating this chapter during the preceding twelve (12) months, may be issued a permit without inspection. The department may require an inspection during reasonable hours at the department's discretion regardless of the applicant's history.

(d) All backyard hen permits issued under this section shall be valid for one (1) year from the date of issuance. No more than one (1) backyard hen permit may be issued for any individual property, tract or residential lot. The permit is nontransferable and shall be valid only for the applicant and location for which it was originally issued. In the event the permit holder no longer resides at the property for which the permit was issued or ceases to harbor or keep backyard hens on the property, the permit terminates without refund.

(e) A person commits an offense if he fails to comply with any of the following restrictions:

1) Backyard hens(s) shall be kept within a secure animal housing enclosure that is constructed and maintained in compliance with all requirements of this chapter, all requirements for accessory buildings, whether or not such permit is required, and be located behind a fence that is at least six (6) feet in height. Backyard hens shall be kept at all times within the secure animal housing enclosure except:
    a. When being removed to be transported to, or returned from, a location off of the property;
    b. During daylight hours when they are under the direct supervision of an adult, backyard hens may roam in a yard provided that it is enclosed by a perimeter fence not less than six (6) feet in height; or
    c. When being temporarily confined in a garage or indoor space during periods of extreme cold or brooding.
2) Coops must provide no less than four (4) square feet of area per backyard hen and the exercise yard must provide no less than eight (8) square feet of area per backyard hen.
3) Coops shall have a minimum of ten (10) inches of roosting space for each backyard hen kept;
4) There shall be at least one (1) nesting box for every four (4) hens kept;
5) Hay, grain, feed, and all other food sources must be stored in secure containers that are not accessible to rats, flies, mosquitos, or other rodents and insects;
6) Manure and soiled bedding material must be immediately disposed of, properly composted, or stored in secure containers that are not accessible to rats, flies, mosquitos, or other rodents and insects at least once every 48 hours;
7) Food scraps, kitchen scraps, or other perishable food items cannot be fed on the ground or in any container other than an impervious container or on an impervious platform;
8) Any backyard hen byproducts, including but not limited to eggs, meat, or manure, may not be sold or offered to be sold under the direction of, or with the consent of, a backyard hen permit holder except for the sale of backyard hen byproducts in accordance with all applicable federal, state, and local regulations; and
9) All backyard hens must have their wings properly clipped and maintained so as to prevent them from flying over the fence.

(f) A person commits an offense if the person is a holder of a backyard hen permit and he refuses, upon request by a representative of the local health authority during reasonable hours, to make his animals, premises, facilities, equipment, and any necessary registrations or permits, available for inspection.

(g) A person commits an offense if the person is a holder of a backyard hen permit, and he refuses to show his permit upon request by a representative of the local health authority.

(h) A person commits an offense if he harbors backyard hens without first obtaining a valid backyard hen permit.

(i) This section shall not supersede, replace, or have control over any recorded deed restrictions, covenants, homeowner association rules, or other applicable restrictions that prohibit the keeping of fowl or backyard hens on such property.

(j) Backyard hens or eggs shall not be sold from the property.

Sec. 4-21. Livestock.

(a) It shall be unlawful for any person to keep on any premises under his control within the city limits, any livestock in such a manner that the same shall be located closer than 75 feet distance from any person's property, other than his own.

1) Upon initial application or renewal, the owner is required to schedule an inspection of the property with the animal services department within 30 days.

2) If upon completion of the inspection, the premises are found to be in violation of one or more provisions of applicable city codes and ordinances, the city shall provide written notice of such violation and shall set a re-inspection date for violation to be corrected.

3) Upon receiving the application, the local health authority shall send a notice to all property owners within 75 feet of the applicant's property. This notice will provide the person with contact information to provide approval or objection to the permit. The adjacent property owners shall have ten business days to respond. If no response is received, that will be deemed consent.

4) In the event the local health authority denies ~~or grants~~ such permit, an appeal may be taken as provided in this article by the applicant regarding the decision of the local health authority.

(b) It shall be unlawful for any person to keep any livestock in an area wherein there is less than 5,000 square feet for each animal so kept.

(c) The provisions of subsections (a) and (b) shall not apply to any property adjacent to property or acreage not subdivided or platted.

(d) No livestock impounded by virtue of this section shall be released to the owner until all costs and fees prescribed by this section have been paid and until the person applying for the release of such livestock signs an affidavit that he is the owner of the livestock and entitled to possession thereof.

(e) Any livestock found running at large shall be impounded by the local health authority.

(f) Any livestock found running at large that cannot be captured, or after being impounded by the local health authority, may be released to the Sheriff of Dallas County at any time.

(g) Anytime during the permitted year, the local health authority receives three (3) or more complaints that results in a violation of this chapter may cause a permit to be revoked.

(Ord. No. 1554, § 1, 12-1-98; Ord. No. 2026, § 3, 5-15-07

Sec. 4-22. Limitation of number of cats and dogs.

(a) *Limitation on cats:*

1) Definitions: For the purposes of this subsection, the following words shall have the meaning expressed below:

a. *Adult cat* shall mean any cat which is more than six months of age.

b. *Kept within the city* shall mean the harboring, possessing or owning of cats in any residential district within the city.

c. *Litter* shall mean one or more kittens under six months of age.

2) It shall be unlawful for any person to keep within the city, in any residential district, more than four adult cats on a residential lot of 10,000 square feet or less, provided however, such person may keep an additional adult cat for each additional 5,000 square feet of lot area. Each residence owner or occupant shall be permitted to keep one litter only.

3) Notwithstanding the provisions of subsection (a)(2) above, any person who desires to keep more than four adult cats and one litter at the same time shall apply to the local health authority for a special permit to keep the same. The applicant shall provide the local health authority with satisfactory proof from the owners of all property within 25 feet of the applicant's property that there is no objection to issuance of the permit and shall pay to the city a fee as may be determined by the local health authority for such permit. The permit shall expire one year from the date of its issuance. Prior to the renewal of any permit, the local health authority shall review such application and make a decision regarding the approval thereof. Should any complaint be received by the local health authority during the preceding permit period, signatures will be required from the surrounding property owners as required for the initial permit. In the event the local health authority denies or grants such permit, an appeal may be taken as provided in this article by any person aggrieved by the decision of the local health authority.

(b) *Limitation on dogs:*

1) Definitions: For the purposes of this subsection, the following words shall have the meaning expressed below:

Adult dog shall mean any dog which is more than six months of age.

Kept within the city shall mean the harboring, possessing or owning of dogs in any residential district within the city.

Litter shall mean one or more puppies under six months of age.

2) It shall be unlawful for any person to keep within the city, in any residential district, more than four adult dogs on a residential lot of 10,000 square feet or less, provided, however, such person may keep one additional adult dog for each additional 20,000 square feet of lot area. Each residence owner or occupant shall be permitted to keep one litter only.

3) Notwithstanding the provisions of subsection (b)(2) above, any person who desires to keep additional dogs in a residential area, shall apply to the local health authority for a special permit to keep the same. The applicant shall provide the local health authority with satisfactory proof from the owner of property within 25 feet of the applicant's property that there is no objection to the issuance of the permit and shall pay the city a fee as determined by the local health authority for such permit. The permit shall expire one year from the date of its issuance. Prior to the renewal of any permit, the local

health authority shall review such application and make a decision regarding the approval thereof. Should any complaint be received by the local health authority during the preceding permit period, signatures will be required from the surrounding property owners as required for the initial permit. In the event the local health authority denies or grants such permit, an appeal may be taken as provided in this article by any person aggrieved by the decision of the local health authority.

(Ord. No. 1554, § 1, 12-1-98; Ord. No. 1894, § 1, 6-15-04; Ord. No. 2026, §§ 4, 5, 5-15-07)

CITY	DOGS	CATS
Duncanville	4 adult	4 adult
Plano	4	4
Cedar Hill	4 adult	4 adult
DeSoto	4	4
Lancaster	4	4
Grand Prairie	?	?
Cleburne	?	?
Weatherford	Total of 5 in any combination	

Sec. 4-23. Impoundment.

(a) The following animals may be impounded:

1) Cats and dogs not exhibiting evidence of vaccination.

2) Any animal infected or kept under conditions which could endanger the public or animal health.

3) Any animal that creates a nuisance as defined in section 4-17.

4) Any animal running at large.

5) Any animal treated in a manner determined to be in violation of section 42.10 of the Texas Penal Code.

6) Any animal that has bitten a human being or requires observation for rabies determination, as determined by the local health authority.

7) Any animal violating any provision of this chapter.

(b) If any animal is found upon the premises of any person, that person shall have the right to confine such animal in a humane manner until the local health authority can impound such animal. When so notified, it shall be the duty of the local health authority to have such animal impounded as herein provided.

(c) Reasonable effort shall be made by a local health authority to contact the owner of any impounded animal which is wearing a current vaccination tag; however, final responsibility for location of an impounded animal is that of the owner.

(d) The owner can regain possession of an impounded animal upon payment of impoundment fees, handling fees and any veterinarian bills incurred by the local health authority for the welfare of the animal, and upon compliance with the vaccination provisions of this Code, except where prohibited in (e) and (f) below.

(e) Disposition of animals impounded on the grounds of cruel and inhumane treatment shall be determined by the court of jurisdiction.

(f) If any animal is being held under quarantine, the owner shall not be entitled to possession until release from quarantine.

(g) The city manager shall select and establish a place for impounding all animals impounded under any provision of this article.

(h) Any animal, except vicious or wild animals, not reclaimed by the owner may be humanely euthanized after being impounded for 72 hours, except that any animal wearing a current vaccination tag shall be impounded for six days prior to its destruction.

(i) Any impounded vicious or wild animal, unless there is reason to believe that it has an owner, may be immediately disposed of as may be deemed appropriate by the local health authority.

(j) Any nursing baby animal impounded without the mother, or where the mother cannot or refuses to provide nutritious milk, may be immediately euthanized to prevent further suffering.

(k) Any owner who no longer wishes responsibility for an animal, other than an ill or injured animal, may sign a written waiver supplied by the local health authority allowing the animal to be immediately euthanized in a humane manner, provided that no dog or cat that has bitten a human being shall be euthanized before the expiration of the ten-day quarantine period. Ill or injured animals shall be the responsibility of the owner.

(l) Any impounded animal that appears to be suffering from injury or illness may be euthanized or given to a nonprofit humane organization for the purpose of veterinarian medical care, as determined by the local health authority.

Sec. 4-24. Fees.

The city council shall by resolution establish impoundment, adoption, boarding, rabies observation, microchipping, surrender and handling fees as provided in this chapter.

(Ord. No. 2110, § 1, 4-6-10)

Editor's note(s)—Ord. No. 2110, § 1, adopted Apr. 6, 2010, repealed the former § 4-24, and enacted a new § 4-24 as set out herein. The former § 4-24 pertained to impoundment and handling fees. This section bore no history note.

Sec. 4-25. Adoption.

Any individual may adopt an animal (dogs and cats only) from the Tri-Cities Animal Shelter under the following conditions:

(a) The animal has been classified as adoptable by the Tri-Cities Animal Shelter.

(b) The prospective adopter has proper facilities to care for the animal.

(c) The prospective adopter ensures all necessary vaccinations are provided.

(d) The prospective adopter shall have any dog or cat spayed or neutered within 30 days after adoption or the local health authority shall have the right of immediate return of the animal to the animal shelter; provided the local health authority shall allow additional time in the case of dogs or cats less than six months of age.

(e) All animals that are adopted or redeemed from the Tri-City Animal Shelter, that are not currently microchipped, must be implanted with a microchip and register with the microchip provider prior to leaving the shelter.

(Ord. No. 2110, § 1, 4-6-10)

Sec. 4-26. Purchase.

(a) The purchaser of any dog or cat from the Tri-Cities Animal Shelter must have it vaccinated within seven days after purchase or the local health authority shall have the right of immediate return of the animal to the animal shelter; provided, the local health authority shall allow additional time in the case of a dog or cat less than six months of age.

(b) Tri-Cities Animal Shelter personnel or a representative of the local health authority may refuse to allow the purchase of a cat or dog by a person whom he has reason to believe:

1) Would not be able to obtain a vaccination certificate.

2) Would not have proper facilities to contain or care for the animal, as required by the Code.

3) Wants the dog or cat for the purpose of resale or for purposes other than pet ownership.

4) There are reasonable grounds to believe the animal would be subjected to abandonment or cruelty.

Sec 4-27. WILD ANIMAL PERMITTING.

(a) The hearing before the local health authority or designee to determine if an animal is a wild animal shall be conducted within twenty (20) business days after receipt of the sworn complaint, impoundment, or seizure of the animal, whichever occurs later.

(b) Notice of the hearing before the local health authority or designee shall be provided by the local health authority or his designee to the owner of the animal and all complainants who provided a sworn complaint by certified mail, return receipt requested or by personal service. At the hearing before the animal services director or designee, any interested party, including the city attorney or his or her designee, shall be given opportunity to present evidence on the issue of whether the animal is dangerous.

(c) Upon conclusion of a hearing to determine if an animal is a wild ~~dangerous~~ animal, the local health authority or designee may find that the animal is not wild ~~dangerous~~ and order that it be promptly returned to its owner's custody after all impound and board fees have been paid. The local health authority or designee shall have the authority to refund, reduce, or waive any fees incurred to the owner.

(d) If the local health authority or designee makes a finding that the animal meets the definition of a wild ~~dangerous~~ animal as described in section 4-1 of this chapter and that the destruction, removal, or registration of the animal is necessary to preserve the public health, safety, or welfare, then the local health authority or designee shall order one (1) of the following:

1) Euthanasia of the wild ~~dangerous~~ animal:

a. shall be ordered if the local health authority or designee makes a finding that the animal caused the death of a person;

b. may be ordered if the local health authority or designee makes a finding that the animal caused serious bodily injury or bodily injury to a person;

c. may be ordered if the local health authority or designee makes a finding that the animal was outside its enclosure or yard and caused serious bodily injury or death to another animal;

d. may be ordered if the local health authority or designee makes a finding that the animal was outside its enclosure or yard and caused bodily injury to another animal and has made at least one (1) unprovoked attack against an animal or person on a previous occasion;

e. may be ordered if the owner of the animal requests euthanasia of the animal.

2) Removal of the wild ~~dangerous~~ animal from within the city limits.

   a. Prior to the release of the animal from quarantine, the owner shall make the animal available to the animal services facility for scanning of the microchip implanted in the animal and provide to the local health authority or designee, in writing, all of the following:

      1. The destination address of where the animal is to reside and the name of the person who will have care, custody, or control of the animal at the destination address;

      2. Proof that the owner has alerted the agency responsible for animal services in that area; and

      3. Proof that a microchip has been implanted into the animal.

   b. A person commits an offense if he removes the animal from the city under this section and fails to:

      1. Implant a microchip in the animal; or

      2. Provide proof of the implanting of the microchip; or

      3. Make the animal available for scanning.

   c. A person commits an offense if he removes the animal from a state-approved quarantine facility prior to complying with the notice requirements in subsection 4-153(d)(2).

   d. A person commits an offense if he allows an animal that has been determined to be a wild ~~dangerous~~ animal and ordered to be removed from the city limits to return to the city limits.

3) Return to the owner as a registered wild ~~dangerous~~ animal after the owner demonstrates compliance with this chapter and the following requirements. The owner shall maintain compliance with all of the following requirements for the remainder of the wild ~~dangerous~~ animal's life while the wild ~~dangerous~~ animal is located or resides in the city:

   a. Obtain and maintain liability insurance coverage or showing financial responsibility in an amount of at least one hundred and fifty thousand dollars ($100,000.00) to cover damages resulting from an attack by the wild ~~dangerous~~ animal causing bodily injury, serious bodily injury or death to a person or another animal. A certificate of insurance or other evidence of meeting the above requirements shall be kept on file at the Tri-Cities animal facility;

   b. Registering the wild ~~dangerous~~ animal with the City of Duncanville by providing the name and address of the owner; the breed, age, sex, color and any other identifying marks of the animal; the address where the animal is to be kept; and at least two (2) color photographs that clearly identify the wild ~~dangerous~~ animal taken not earlier than the 30th day before the date the application was filed;

   c. Provide proof of animal sterilization;

   d. A photograph and a statement of the dimensions of the secure enclosure in which each animal is to be kept and a scale diagram of the premises where each animal will be kept, including the location of any perimeter fencing and any residence on the premise;

   e. Post and maintain signs giving notice of a wild ~~dangerous~~ animal in the area or on the premises in which the animal is confined. The signs shall be conspicuously posted at both the front and rear property entrances and shall bear letters not less than two (2) inches high, stating "WILD ANIMAL ON PREMISES";

f. Provide and maintain on the animal a fluorescent yellow collar visible at fifty (50) feet in normal daylight with an attached tag provided by the department to the collar that is worn at all times so that the animal can be easily identified;

g. Implant and maintain a microchip into the animal and register it for life with the department and a recognized national registry;

h. Provide written notice of the animal's designation as vicious ~~dangerous~~ to the owner or landlord of the property where the animal will be kept; and

i. Pay the appropriate wild ~~dangerous~~ animal annual permit fee.

j. Statement signed by a veterinarian licensed to practice in this state stating that the veterinarian:

1. Inspected each animal being registered not earlier than the 30th day before the date of the filing of the renewal application; and

2. Finds that the care and treatment of each animal by the owner meets or exceed the standards prescribed under this chapter.

(e) The owner shall have thirty (30) days from the determination by the local health authority or designee that the animal is wild ~~dangerous~~ to comply with all of the required conditions as set forth by this chapter and the order of the local health authority or designee, unless the determination is appealed pursuant to V.T.C.A. Health and Safety Code, § 822.0421, as amended. If the owner fails to provide proof of compliance with all of the requirements in the order, and the order is not appealed pursuant to V.T.C.A. Health and Safety Code, § 822.0421 as amended, the wild animal may be euthanized on the thirty-first (31st) day following the order of the local health authority or designee.

(f) A person commits an offense if he allows an animal that has been determined to be a wild ~~dangerous~~ animal to be kept or remain in any duplex or in any multi-family, residentially zoned property.

(g) A person commits an offense if he allows an animal that has been determined to be a wild ~~dangerous~~ animal to be kept or remain on a porch, patio, or in any part of a house or structure that would allow the animal to exit of its own volition.

(h) A person commits an offense if he allows an animal that has been determined to be a wild ~~dangerous~~ animal to be kept in a house or structure when any window is open or when any screen window or screen door is the only obstacle preventing the animal from exiting the structure.

(i) A person commits an offense if he allows an animal that has been determined to be a wild ~~dangerous~~ animal to be outside of the owner's residence or its secure enclosure unless the animal is under continuous direct physical control by a person of competent mental and physical ability to restrain the animal under all circumstances.

(j) A person commits an offense if he allows an animal that has been determined to be a wild ~~dangerous~~ animal tethered to an inanimate object, including, but not limited to a tree, post, or building, for any length of time.

(k) A person commits an offense if he allows an animal that has been determined to be a wild ~~dangerous~~ animal to be outside its secure enclosure without being securely fitted with a muzzle that will prevent the animal from biting other animals or human beings without causing injury to the animal or interfering with its vision or respiration.

(l) A person commits an offense if he is the owner of a permitted wild ~~dangerous~~ animal and refuses, upon request by the department, to make his animal, premises, facilities, equipment, and any necessary permits available for inspection at any reasonable time.

(m) A person commits an offense if he is the owner of a wild ~~dangerous~~ animal, and he fails to maintain the requirements in subsection 4-153(d)(3) for the remainder of the animal's life.

(n) No domestic animal may be found to be a wild ~~dangerous~~ animal if the local health authority or designee finds sufficient evidence that:

1) The threat, injury, or damage was sustained by a person who at the time was committing or attempting to commit a willful trespass or other tort upon the premises occupied by the owner of the animal;

2) The person was teasing, tormenting, abusing, or assaulting the animal or has in the past been observed to have teased, tormented, abused, or assaulted the animal;

3) The person attacked was committing or attempting to commit a crime;

4) The animal attacked was at large at the time of the incident unless the attacking animal was also at large at the time of the incident and:

   a. The attacking animal has committed an unprovoked attack on another person or animal on at least one (1) previous occasion; or

   b. The animal attacked died as a result of the injuries it sustained during the attack.

5) The animal attacked or killed at the time of the incident was teasing, tormenting, abusing, or attacking the alleged dangerous animal or if the animal attacked was not a domestic animal;

6) The animal was protecting or defending a person within the immediate vicinity of the animal from an unjustified attack or assault;

7) The animal was injured and responding to pain;

8) The complaint filed against it is based solely on the animal's breed, size, or physical appearance; or

9) The attack, bite, or mauling occurred while the dog was being used by a peace officer for law enforcement purposes.

(o) If the local health authority or designee finds probable cause to believe that an animal was at-large and involved in an incident that led to the filing of a wild ~~dangerous~~ animal complaint, and if the animal is not already identifiable by microchip, the owner shall pay a fee to have a microchip implanted into the animal regardless of whether it is deemed a dangerous animal or not.

(p) A person commits an offense if the person fails or refuses to provide proof of complying with the local health authority's or designee's order to implant and register a microchip as required in subsection (o).

Sec. 4-2~~7~~8. Appeal process.

In the event an application for a permit for a wild animal, or the renewal of a permit for a wild animal, is denied, the applicant has 15 days upon a denial to file an appeal with the municipal court. Either party may appeal the decision of the municipal court to a county court. The filing of the appeal of the denial or revocation of a certificate of registration under this section stay the denial or revocation until the court rules on the appeal.

In the event any other animal permit, or the renewal of a permit, is denied, the applicant has 15 days upon a denial to file an appeal with the municipal court. ~~or granted only the applicant has 90 days to deal by a duly appointed representative of the local health authority, any person aggrieved by the decision of the local health authority may appeal in writing to the local health authority within ten days.~~

The decision of the ~~duly appointed representative of the~~ local health authority will be considered by the Board of Adjustment~~, fire chief, and the assistant city manager city secretary~~. If the Board of Adjustment upholds the denial, the applicant may re-apply for the permit one year after the date of denial. ~~If the decision is upheld, any person who disagrees with the decision of the appeal committee may file a written appeal with the city secretary within seven days from the date of the committee's decision.~~

~~The city secretary shall schedule a hearing of such appeal to the city council at the next timely meeting of the city council. The city council may either grant or deny the permit. The decision of the city council shall be final and binding.~~

(Ord. No. 1576, § 4, 7-20-99; Ord. No. 2026, § 6, 5-15-07; Ord. No. 2041, § 1, 2-5-08)

City	Days to File Appeal
Duncanville	10
Plano	15
Cleburne	10
Cedar Hill	10
Midlothian	15
DeSoto	10

STAFF REPORT

MEETING: City Council - 17 Sep 2024

TITLE:
Council to receive a briefing on the use of 103 Main Street, the building across the parking lot from City Hall, and discussion with the City Manager on the use of the building.

Vision Statement:

"Duncanville, a City of Champions, is a safe, vibrant, diverse community committed to excellence in education, business, and good governance."

Pillar:

- **Emphasize: Government Accountability, Customer Service, Efficiency and Process Improvement**
  - **Develop a high performing organization that encourages innovation, transparency, and collaboration while delivering exceptional customer service.**

STAFF RESPONSIBLE:
Douglas Finch, City Manager

BACKGROUND/HISTORY:
During the Council meeting on September 3, 2024; Councilmember Koontz requested a time that City Council could discuss the use of building 103, the building used by City staff relating to operations.

Currently the building houses the following departments:
* Human Resources,
* Information Technology,
* Neighborhood Services - Code Enforcement,
* Civil Service Hearings,
* Training Room,
* Other events or overflow as needed.

Today the building includes security doors, raised floors for IT equipment and ventilation, separate areas for different departments, including secure areas to separate human resources, secure restricted IT areas to meet CJIS requirements, and neighborhood services. Budget Administrator Otey estimates the City has invested about $350,000 into the building in security, information technology, HVAC, roofing, walls, etc over the past couple of years.

There are approximately 15 full time every day utilized employee's offices within 103. Additionally, the facility is used for additional overflow, meetings, and training.

FUNDING SOURCE:

ORG and Object Number
N/A

Available Budget	**Purchase Amount**	**After Encumber**
$0.00	$0.00	$0.00

ACTION ALTERNATIVES:
Briefing only. No action to be taken.